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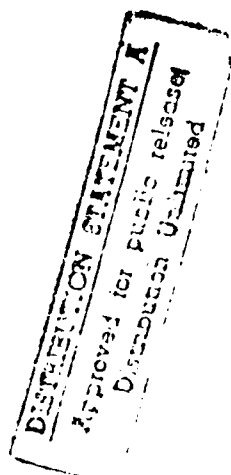
U.S. Army Corps
of Engineers

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U.S. ARMY CORPS OF ENGINEERS RECREATION STUDY

A Plan Prepared for the
Assistant Secretary of the Army (Civil Works)

VOLUME II: APPENDICES



Headquarters, U.S. Army Corps of Engineers
Washington, D.C.

September 1990

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Note: This volume was designed for insertion in a three-ring binder with lettered tabs to be added before each appendix.

U.S. ARMY CORPS OF ENGINEERS RECREATION STUDY

VOLUME II: APPENDIX A

Task Force Membership



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RECREATION STUDY TASK FORCE MEMBERSHIP

The Chairman of the Task Force was MG R. S. Kem, Deputy Commander, U. S. Army Corps of Engineers. Mr. David J. Wahus, Chief of the Recreation Programs Section of the Natural Resource Management Branch, Operations, Construction and Readiness Division was reassigned to the office of the Director of Civil Works to serve as the full-time Executive Director of the Recreation Study.

The Steering Committee was comprised of eight senior staff members: Mr. Dan Mauldin, Deputy Director of Civil Works and Vice-Chairman of the committee, Mr. Don B. Cluff, Chief, Programs Division, Mr. Lester Edelman, Chief Counsel, Mr. Barry J. Frankel, (later replaced by Mr. Terrence F. Wilmer), Director, Real Estate Directorate, Mr. Jimmy F. Bates, Chief Policy and Planning Division, Mr. John P. Elmore, Chief, Operations, Construction and Readiness Division, Mr. Kenneth Murdock, Director, Water Resource Support Center, Mr. David J. Wahus. MG Kem officiated at Steering Committee meetings.

The Management Team consisted of Mr. Dan M. Mauldin, Chairman, Mr. Don B. Cluff, Vice-Chairman, Mr. Joseph H. Bittner, Programs Division, Mr. Charles T. Flachbarth, Office of the Chief Counsel, Mr. Monte Ferry, Real Estate Directorate, Mr. Howard Prante, Policy and Planning Division (later replaced by Mr. Brad Fowler), Mr. Darrell E. Lewis, Operations, Construction and Readiness Division, Mr. Michael R. Krouse, Institute for Water Resources, Mr. David Hewitt, Public Affairs Office and Mr. David J. Wahus.

Mr. William J. Hansen of the Institute for Water Resources was the Technical Study Manager. Mr. L. Leigh Skaggs of the Institute for Water Resources assisted in the development and execution of the study and writing of the final report. Mr. H. Roger Hamilton of the Waterways Experiment Station contributed to the historical perspective section. Ms. N. Theresa Hoagland of the Ohio River Division served as primary author for the study.

Numerous Corps employees were involved in various stages of development and analysis of the study and results. Thirty-seven Corps employees in various disciplines comprised the five in-house information collection task forces. In addition, a working group was comprised of Mr. Dale Gronewold, Kansas City District, Harry S. Truman Lake, Mr. Frank McGovern, South Atlantic Division, Mr. John Marzac, St. Louis District, Mr. Michael Miller, Mobile District and Mr. Michael Barter, Baltimore District. A field review group was comprised of Mr. Gerald Purvis, South Atlantic Division, Mr. Robert Fuller, Louisville District, Mr. William Thornton, Missouri River Division, Mr. Bruce Hardie, Southwestern Division and Mr. Allen Summers, North Pacific Division.

U.S. ARMY CORPS OF ENGINEERS RECREATION STUDY

VOLUME II: APPENDIX B

**Information Collection Task Force #1
Development of Strawman Programs and Strategies**

INFORMATION COLLECTION TASK FORCE #1

DEVELOPMENT OF "STRAWMAN" RECREATION OPERATION AND MAINTENANCE PROGRAMS AND STRATEGIES

Task force members, representing a cross-section of Corps personnel, were: Darrell Lewis, Natural Resources Management Branch, Headquarters; Michael Miller, Natural Resources Management Branch, Mobile District; Janice Howell, Real Estate Management and Disposal Division, Headquarters; Bill Collins, Recreation-Resources Management Branch, Fort Worth District; Tony Sousa, Real Estate Directorate, Missouri River Division; Gerald Purvis, Natural Resources Management Branch, South Atlantic Division; Terri Hoagland, Natural Resources Management Branch, Ohio River Division; and Judy Rice, Natural Resources Management Branch, Headquarters.

The task force met on 26 October 1989 to develop "strawman" recreation O&M programs and strategies that addressed the overall study objective of maintaining or enhancing recreation opportunities while reducing the Federal burden. The objective was to identify a wide range of proposals through a brainstorming session. Proposals were not to be constrained by existing laws, policies, or regulations, nor were proposals to involve the closure or deferral of maintenance at recreation areas. Following is a listing and brief discussion of the identified strawman.

Discussion of
"Strawman" Recreation O&M Programs and Strategies

I. WAYS TO INCREASE PRIVATE AND NON-FEDERAL INVOLVEMENT.

A. Land and Land Use Policy Changes.

1. Private exclusive use - (The use or occupancy of individually owned permanent structures for human habitation located on public land and water areas at Corps Civil Works projects. Lesser forms of private use, such as individual houseboats, boat docks and piers, fencing, signing, landscaping, etc. are excluded from this definition since they are the subject of concern under the lakeshore management program.) Lessen the restrictions on the type and location of private exclusive use in conjunction with public recreation and charge a realistic fee for that use.

2. Allow multifamily residential developments on Corps owned lands.

B. Marketing and Promotion.

1. Engage in economic promotion and marketing to encourage private/non-federal entities to lease recreation areas which are capable of earning a profit.

2. Use Corps resources to develop a regional promotion program for the region/area/lake/park.

C. Liberal partnershiping and/or cost sharing - (Public law 89-72, "Federal Water Project Recreation Act", requires the Corps to obtain a non-federal public entity to share 50/50 in the costs of developing recreation facilities and requires the non-federal entity to operate and maintain those recreation facilities. Although the act applies to projects authorized after 1965, several past administrations have applied the cost-sharing and operation and maintenance (O&M) requirements to any new developments at pre 1965 projects.)

1. Ease the cost sharing restrictions on development, pay back, types of facilities, potential sponsors, etc.

2. Offer low interest, long term Federal loans for private/non-federal entity to develop public recreational facilities on Corps lands/waters.

3. Lease out lands for public recreation and then construct all or part of the infrastructure including roads, parking lots, boat ramps and sanitary facilities (which usually constitutes the largest initial capital expenditures).

4. Seek legislative authority to acquire land to facilitate recreation development under eminent domain to provide a private/ non-federal entity with adequate land and location to engage in profitable public recreation activities.

5. Consult with and provide expertise to private/non-federal entities on risk management and provide design and/or construction services to accomplish assessed remedies.

6. Fund or provide maintenance of an area with the operation left to private/non-federal entity.

7. Fund feasibility studies as the cost of feasibility studies deters potential recreation providers from pursuing lease.

D. Liberalize Lease Restrictions.

1. Provide leasing incentives.

a. Lower the lease costs.

b. Lengthen the term of the lease to allow long term financing.

c. Eliminate or reduce current restrictions on types of recreation lessees may provide on Corps property.

d. Allow non-Federal entities to retain lease revenues, eliminating the current requirement for those funds to be reinvested at the site.

2. Loosen or eliminate the Corps 14 day camping restriction.

3. Allow groups/associations etc. who operate parks to charge discriminatory fees to members to encourage those groups to take over recreation area.

E. Encourage a tax law change to allow for tax breaks for construction of recreational facilities on Corps land.

F. Offer entire lakes for lease to private sector for public recreation (minus the dam and outlet works) to encourage private sector/non-federal recreational development.

G. Encourage college or university to run park(s) using students who are gaining college credits and/or money from their efforts, i.e. graduate assistants/interns, etc.

H. Encourage "members only" recreational developments when members pay the O&M.

I. Eliminate adverse fee competition from Corps. Ensure that Corps recreation fees do not undercut private/non-federal competition. This may require the Corps charging for use that we hadn't in the past (see II.A.3.).

J. Foster local lake organizations/communities to lobby for private/non-federal recreational facilities/developments on Corps lands.

K. Allow Corps operation of turnback recreation areas to encourage potential lessees as well as Corps elements to consider less than ideal leasing agreement.

L. Allow inclusion of several recreation areas in a single lease instrument.

M. Expand congressionally authorized project purposes to allow more diversification of use of public lands.

N. Foster regional and/or local organizations to promote individual lakes or regions.

II. INCREASE REVENUES.

A. Policy Changes

1. Implement nationwide reservation system.
2. Charge a variable rate for camping sites depending on location and amount of use.
3. Expand the Corps authority to include charging for day use fees.
4. Charge for what we have been giving away, such as:
 - a. Access for hunting, fishing or trapping.
 - b. Boat licenses (require each boat on Corps lake to have Corps boat license)
 - c. Firewood
 - d. Tighten the restrictions on fishing guide permits to decrease slippage.
 - e. Expand the number of commercial activities allowed on Corps lands and water, and charge for all those activities.

f. Charge for certain ranger activities such as off-site presentations, interpretive tours, programs, etc.

5. Eliminate the free camping requirement.

6. Develop special event areas and charges.

7. Reduce restrictions to encourage or allow concerts and other non-water related special events to be held on Corps property for a fee.

8. Have the Corps rent Corps purchased recreation equipment.

9. Charge rent for use of Corps facilities such as auditoriums, amphitheaters, etc.

B. Allow the sale of items the Corps could offer and traditionally has not sold.

1. Loosen the restrictions on concession stands in public recreation areas for sales of ice, beer, soft drinks, etc.

2. Sell visitor survey information, zip codes, etc.

3. Sale of merchandise (T-shirts, brochures, etc.)

4. Sell recyclable materials from the public use of Corps lands.

C. Return of revenue to Corps from concessions, timber sales, leases, etc.

D. Charge a realistically equitable fee for the processing of permits, lease, and license applications.

E. Review studies made by Corps/private/non-federal entities so no duplication of effort is done or no stones remain unturned.

F. Promote our recreation areas nationally/internationally to increase visitation and income.

G. Charge for recreational boats going through locks.

H. Establish Corps membership campgrounds nationwide (Castle Club) where all members would pay a fee and receive ID card which would allow free admittance and a reduced use fee.

III. BUDGET AUGMENTATION (with Non-appropriated Funds).

A. Develop a program to solicit nationwide voluntary contributions and donations.

B. Allow designation of \$1 for federal recreation on federal income tax return.

C. Encourage sponsorships to promote corporate and/or individual financing of public recreation sites for which sponsor gets special acknowledgement.

D. Develop challenge grants program for large corporations to pledge money, material and/or labor to be matched by federal contribution to accomplish a specific task.

E. Create a federal recreation lottery.

F. Support American Heritage Trust legislation and include the Corps as a recipient.

G. Conduct land sales with receipts going to recreation O&M.

H. Establish Corps recreation trust to provide monies for public recreation.

IV. O&M EFFICIENCIES.

A. Reduce planning and design standards to lower total costs.

B. Operations

1. Reduce O&M standards.

2. Increase consideration of contracting.

3. Use trash compactors to reduce volume of refuse.

C. Management

1. Initiate peer review process.

2. Allow on-site manager to determine where all of his money goes, all overhead charges to be determined by him/her. "Authority equal to the responsibility".

3. Swap out recreation areas with other agencies to facilitate maintenance and management efforts.

4. Lower the approval level requirements to the on-site manager.

5. Re-organize for a more efficient operation.

6. Adopt a "one stop outgrant service" which authorizes local manager to issue licenses/permits for all outgrants.

7. Reduce the frequency of in-house inspections.

D. Provide more facilities wanted by the visiting public.

1. Monitor facility use levels and conduct visitor preference survey and eliminate unwanted facilities and services.

2. Review trend analysis and develop strategies.

E. Encourage and fund consolidation/renovation of facilities to improve inefficient recreation areas.

F. Encourage the increased use of volunteers and remove the restrictions considering their handling of money and use of vehicles.

G. Institute adopt-a-park programs.

H. Encourage professionalizing and improve human resource management.

V. INCREASED RECREATION OPPORTUNITIES.

A. Make master plans and operational management plans dynamic to enable a quick response to change in trends and conditions.

B. Modernize our way of doing business.

C. Provide test sites for experimental recreation i.e. demonstration projects.

D. Allow more local community type recreation facilities (tennis courts, swimming pools, etc.).

E. When demand warrants, reopen closed areas and renovate for Corps/private/non-federal takeover.

F. Assist in the promotion of regional economic development.

G. Cooperate with the local business community.

H. Emphasize research support programs.

VI. REGULATORY CONSTRAINTS.

A. 14 day restriction

B. Private exclusive use

C. beer, wine and liquor sales

- D. reservations
- E. water orientation of recreation facilities
- F. Environmental
- G. Davis-Bacon wage rates construction and service contracts (wage rates)
- H. PL 89-72 and 99-662 (cost sharing restraints)
- I. Land and Water Conservation Fund Act (fees)
- J. 460 (d)
- K. restraints on waivers on competition
- L. FARS etc.
- M. GSA policies
- N. acquisition authority
- O. 75% turnback to local government
- P. graduated rental system
- Q. McKinney act (homeless)
- R. volunteer restrictions
- T. personnel regulations
- U. shoreline management regulation
- V. Agriculture lease offsets
- W. Being part of the army

Summary of major ideas that should be included:

1. Defend our public use philosophy
2. Recognize political /public desires
3. Relook at cost-sharing to make it an equal program
4. Relook commercial lease restrictions
5. Secure input from locals
6. Revise fee structures
7. Change market values
8. Initiate recycle effort
9. Establish Corps trust fund and get coverage under LWCA (or AHT)
10. "Power down" so the resource manager can manage
11. Continue efforts on improving human resources, and career ladders
12. Be conscious of our environment ethic and responsibilities and do not prostitute them as we look for new ways to do business
13. Formalize an O&M efficiency approach
14. Tie to project purpose

U.S. ARMY CORPS OF ENGINEERS RECREATION STUDY

VOLUME II: APPENDIX C

**Information Collection Task Force #2
Laws and Policies**

U.S. ARMY CORPS OF ENGINEERS RECREATION STUDY

INFORMATION COLLECTION TASK FORCE # 2

Review of Laws, Policies, and Regulations Governing
Development, Enhancement, and Operation of
Recreational Facilities at Corps of Engineers Projects
by Non-Federal Public Agencies and Private Sector Entities

REPORT

TASK FORCE MEMBERS:

S. Janice Howell, Chairwoman, Real Estate, Headquarters
Rick Noels, Real Estate, Omaha District
Mike Loesch, Natural Resources Management, North Central
Division
Guy Parsons, Real Estate, Savannah District
Brenda Randolph, Real Estate, Tulsa District
W. E. Burris, Policy and Planning, Headquarters
Charles Flachbarth, Office of Counsel, Headquarters
David Hewitt, Public Affairs, Headquarters
George Tabb, Natural Resources Management, Headquarters
Robert Cribbin, Real Estate, Headquarters

1. Purpose and Scope.

a. The task force convened to review existing laws, policies, and regulations which govern the development, enhancement, and operation of recreational facilities at Corps of Engineers water resource development projects by non-Federal public agencies and by private sector entities. This review, within the time allotted, included the identification of constraints and/or restrictions, in laws, policies and/or regulations, on the sale of lands and facilities to non-Federal interests; on leasing of such lands and facilities, such as the term of leases and limitations on fees; and other restraints such as potentially adverse competition from Corps fee programs, private exclusive use policies and length of stay, which influence investment decisions by private and non-Federal public interests.

b. Information Collection Task Force #1 developed various recreation O&M management program and strategy proposals for increasing private and non-Federal investment or leasing activities which were provided to this task force for review. This task force identified constraints, in laws, policies and/or regulations, that would preclude the implementation of any of these programs or strategies and indicated the types of changes (e.g., new legislation) needed to eliminate these existing constraints.

2. The task force did not limit its review to the management programs or strategies identified by Information Collection Task Force #1. However, the reports from the other Information Collection Task Force were being developed concurrently and were not available. The task force considered other ideas either developed internally or identified during its review process.

2. APPROACH

The task force undertook the three separate functions by assigning specific issues to individual members with all members providing input and assistance as needed. Due to the compressed time frame, we attempted to rely on existing legal opinions and background on policies wherever possible. This information is primarily contained in the CERE-MC files. "Ontyme" electronic communication was used to the maximum extent possible. Initial letters were sent to all divisions asking for ideas and input.

3. Product. The task force has provided a final report which describes its composition, task, approach, the review of existing laws, policies and regulations, the proposed changes that would be required to remove the identified constraints, and, where possible, potential impacts. The report should be able to stand alone as an appendix to the overall COE Recreation Study Report.

The report is divided into the following subsections:

1. Review of proposals suggested to enhance the interest of non-Federal governmental agencies or private entities in development, enhancement and operation of recreation facilities on Corps administered water resource development project.

2. Review of proposals suggested to enhance the Corps management of recreational sites.

3. A general discussion of laws, regulations, and policies constraining or affecting recreational development.

REVIEW OF PROPOSALS TO INCREASE
PRIVATE AND NON-FEDERAL PUBLIC INVOLVEMENT

PAGE	PROPOSAL
1	Lessen the restrictions on the type and location of private exclusive use in conjunction with public recreation and charge a realistic fee for that use.
4	Encourage "members only" recreational developments when members pay the O&M.
6	Loosen or eliminate the Corps 14 day camping restriction.
8	Lower the lease costs/rental system.
12	Allow non-Federal entities to retain lease revenues, eliminating the current requirement for those funds to be reinvested at the site.
14	Allow groups/associations etc. who operate parks to charge discriminatory fees to members to encourage those groups to take over recreation area.
16	Lengthen the term of the lease to allow long term financing.
18	Seek authority to buy out concession assets when site is needed for higher public use or for termination
19	Eliminate adverse fee competition from Corps. Ensure that Corps recreation fees do not undercut private/non-federal competition. This may require the Corps charging for use that we hadn't in the past.
22	Eliminate or reduce current restrictions on types of recreation lessees may provide on Corps property.
24	Allow inclusion of several recreation areas in a single lease instrument.
27	Allow Corps operation of turnback recreation areas to encourage potential lessees as well as Corps

elements to consider less than ideal leasing agreement.

- 29 Encourage college or university to run park(s) using students who are gaining college credits and/or money from their efforts, i.e. graduate assistants/interns, etc.
- 30 Encourage a tax law change to allow for tax breaks for construction of recreational facilities on Corps land.
- 31 Foster local lake organizations/communities to lobby for private/non-federal recreational facilities/developments on Corps lands.
- 33 Engage in economic promotion and marketing to encourage private/non-federal entities to lease recreation areas which are capable of earning a profit.
- 33 Use Corps resources to develop a regional promotion program for the region/area/lake/park.
- 35 Offer entire lakes for lease to private sector for public recreation (minus the dam and outlet works) to encourage private sector/non-federal recreational development.
- 40 Liberal partnershiping and/or cost sharing - Ease the cost sharing restrictions on development, pay back, types of facilities, potential sponsors, etc.
- 41 Offer low interest, long term Federal loans for private/non-federal entity to develop public recreational facilities on Corps lands/waters.
- 42 Lease out lands for public recreation and then construct all or part of the infrastructure including roads, parking lots, boat ramps and sanitary facilities (which usually constitutes the largest initial capital expenditures).
- 43 Seek legislative authority to acquire land to facilitate recreation development to provide a private/ non-federal entity with adequate land and location to engage in profitable public recreation activities.
- 44 Consult with and provide expertise to private/non-federal entities on risk management and provide

- design and/or construction services to accomplish assessed remedies.
- 45 Fund or provide maintenance of an area with the operation left to private/non-federal entity.
- 47 Fund feasibility studies as the cost of feasibility studies deters potential recreation providers from pursuing lease.

REVIEW OF PROPOSALS SUGGESTED TO ENHANCE THE
CORPS MANAGEMENT OF RECREATION SITES

PAGE	PROPOSAL
48	Expand congressionally authorized project purposes to allow more diversification of use of public lands. (Generic/organic legislation)
51	Reduce planning and design standards to lower costs.
53	Reduce O & M Standards
55	Make master plans and operational management plans dynamic to enable quick response to change in trends and conditions.
57	Initiate peer review process.
58	Allow on-site manager to determine where all of his money goes, all overhead charges to be determined by him/her. "Authority equal to the responsibility."
59	Swap recreation areas with other governmental agencies to facilitate maintenance and management efforts.
60	Lower the approval level requirements to the on-site manager,
62	Re-organize for a more efficient operation.
63	Adopt a "one stop outgrants service" which authorizes local manager to issue licenses/permits for all outgrants
64	Reduce the frequency of in-house inspections

- 65 Provide test sites for experimental recreation,
i.e. demonstration projects
- 66 Provide more facilities wanted by the visiting
public
- 67 Expand the number of commercial activities allowed
on Corps lands and water, including vendors in
park areas
- 68 Institute adopt-a-park programs.

GENERAL DISCUSSION OF LAWS, REGULATIONS, AND POLICIES
CONSTRAINING OR AFFECTING RECREATION DEVELOPMENT

PAGE	TASK
70	16 USC 460d - general leasing authority
71	Competition - Any constraints on waivers of competition?
72	Non-Federal public agencies - When Army authorizes an activity it does not pass along our authority to do that activity - Can the Corps authorize what it lacks the authority to do?
74	Outgrant vs. service contract - compare to GOCO/2667 lease for industrial plants on military - Where is each appropriate/legal? FAR implications. Service Contract: Gov. pays contractor to operate gov. facilities; Lease: lessee pays gov. rent and builds facilities
76	Federal Property Act of 1949, as amended - restrictions on sale of Federal property; GSA policies, regulations and delegations
78	Compliance inspections to enforce the Government standard and legal constraints on the standards of Government oversight
80	Sale of beer, wine and liquor
81	Leasing authority constraints

- 84 Shoreline management
- 89 Handicapped Act
- 90 Davis-Bacon Act applicability
- 91 Forest Service challenge grants: can we do this
 under current authority?
- 92 Cultural, environmental, fish and wildlife laws
 and regulations

SECTION 1

REVIEW OF PROPOSALS SUGGESTED TO ENHANCE THE INTEREST
OF NON-FEDERAL GOVERNMENTAL AGENCIES OR PRIVATE
ENTITIES IN DEVELOPMENT, ENHANCEMENT, AND OPERATION OF
RECREATION FACILITIES ON CORPS ADMINISTERED WATER
RESOURCE DEVELOPMENT PROJECTS

PROPOSAL:

Lessen the restrictions on the type and location of private exclusive use in conjunction with public recreation and charge a realistic fee for that use.

ASSUMPTIONS:

The restrictions include both individually owned permanent structures for human habitation and lesser forms of private use covered under the lakeshore management program.

LAW, POLICY, REGULATIONS:

ER 1130-2-400

ER 1130-2-406/36 CFR 327.30 (see also references therein)

ER 405-1-12

16 U.S.C. 460d (the Flood Control Act of 1944, as amended)

33 U.S.C. 1 and 403

Report by the Committee on Government Operations, 92d Congress, dated 21 Oct 71, "Public Access to Reservoirs to Meet Growing Recreation Demands"

Report by the Committee on Government Operations, 85th Congress, dated 16 August 57, "Army-Interior Reservoir Land Acquisition Policy"

CONSTRAINTS:

The policy of the Chief of Engineers is to protect and manage shorelines of all Civil Works water resource development projects under Corps jurisdiction in a manner which will promote the safe and healthful use of these shorelines by the public while maintaining environmental safeguards to ensure a quality resource for use by the public. The objectives of all management actions will be to achieve a balance between permitted private uses and resource protection for general public use. Shoreline management plans are prepared as part of the Operational Management Plan where private shoreline use is allowed, allocating the entire shoreline within the classifications shown in 33 CFR 327.30; otherwise, a statement of shoreline management policy is developed for the project.

The land acquired for water resource projects is managed to accomodate authorized project purposes. Master Plans are developed for each project, allocating areas into use categories: project operations, recreation-intensive use, recreation-low density use, natural areas, wildlife management or range management, and separable recreation lands (if applicable).

Under 16 U.S.C. 460d, the Secretary of the Army is given very broad discretion to administer water resource lands. Congress restricted this discretion in that the leasing of lands should be upon such terms and for such purposes as the Secretary deemed "reasonable in the public interest." There is no prohibition against private use, if the Secretary determines that certain private uses are in the public interest. (Reference 7 Nov 86 Army General Counsel opinion)

RESOLUTION OF CONSTRAINTS:

The regulations and policies on private exclusive use and lesser private use would have to be amended to allow the type of use contemplated. This amendment process would include an analysis and determination by the Secretary of the Army that the use to be allowed is in the public interest under the circumstances established.

The spectrum of private use to be considered includes:

a. Adjoining condominiums or other private residential development with homeowners associations or other such entity: allow beach and docks at fair market value for private use.

b. Allow trailers, apartments, and other long-term rental facilities, within commercial concession areas, with rental fees paid to concession included in the calculations for rental to the Government, especially in those areas where the concession needs this type of income to maintain a viable business year-round.

c. Allow privately owned facilities, such as private lodges, private docks (dockominums), club docks, within commercial concession areas (re: Matthews v. U.S.).

d. Boat ramps - allow any adjoining property owner to have a dock or boatramp of any size and configuration on Government property at fair market value or full administrative cost recovery - restricted only by channel movement safety - eliminate grandfather requirements, allow assignment or sale of dock, eliminate shoreline management and 50% restriction.

e. Floating cabins, cottage sites, sleeping facilities on docks - in light of the Water Resource Development Act of 1986, Section 1134, allow new sites to be made available, at fair market value or full cost recovery.

f. Allow residential development on Government land with offsetting recreational development similar to concessions required by some local governments, i.e. roads, parks, density. (see discussion under Economy Act)

g. Totally eliminate all restrictions on private use and do

away with nominal permit fee, obtain full fair market value or full cost recovery.

h. Seek generic or special legislation to allow disposal of land in exchange for development of certain public recreational facilities and a percentage recreational use of property.

i. allow timeshare; memberships

POTENTIAL IMPACT:

As can be seen with the Upper Mississippi and Illinois River cottage sites and the non-transient trailers at commercial concession areas, once private use is started, it is difficult, if not impossible, to eliminate. It is easy to say that the use will be phased out in 25 or even 50 years, but only the most obvious of public uses will ever be enough to oust the private parties. Individuals write to their congressional delegation, "the public" does not. We should learn from our past experiences in this area.

PROPOSAL:

Encourage "members only" recreational developments when members pay the O&M.

ASSUMPTIONS:

The development will be new and does not extend to existing developed sites. The recreational development will only be available to members of the group. The master plan process identifying the area for this type of recreational development has taken place.

LAW, POLICY, REGULATIONS:

ER 1130-2-400

ER 1130-2-406/36 CFR 327.30 (see also references therein)

ER 405-1-12

16 U.S.C. 460d

33 U.S.C. 1 and 403

Letter of Jun 1985 clarifying the policy on private exclusive use.

CONSTRAINTS:

Refer to the general discussion on shoreline management and private exclusive use. The Secretary of the Army would have to determine that the proposed development is in the public interest.

RESOLUTION:

No legislation is required. A revision of the policy on private use and appropriate regulations changes would be required.

POTENTIAL IMPACT:

The recreational opportunities for that segment of the public which is a member of the group would be enhanced. A program to encourage this type of development could result in the development of undeveloped sites. Membership groups might be interested in development of remote or less accessible sites which are unattractive to non-federal government entities. As with any outgrant, there would be costs associated with the administration of the area which could be more or less than the current amount expended on the management of the area.

On 22 June 1983, Mr. Gianelli, then ASA(CW) signed a letter to Congressman Dicks, which stated the Corps position on Thousand Trails, a large membership organization, as follows:

"I am told that Thousand Trails, Inc., provides quality facilities for its members and that the proposed development would probably be an asset to the Corps lake. Once the precedent has been set for this type of development, however, the Corps would not be able to selectively grant such privileges and other companies may not provide the same quality of facilities and services and could be a detriment rather than an asset to the public facility. I am instructing the Corps to continue to work closely with the company in every appropriate way short of creating private exclusive use."

COMMENTS:

Use of the site by the members only restricts the number of people who can ever use the facilities. This may lead to underutilization of the site in the future and restricts management options for future use.

An element to be considered in determining the public interest benefit would be the size of the membership, or in other words, how large a group is required to be tantamount to "the public" or to make up a significant portion of the public which uses the project in question? Another element would be who is eligible for membership in the group, for example, is membership open to the public generally in furtherance of a common interest, such as sailing, bird watching, or recreational vehicles?

PROPOSAL:

Loosen or eliminate the Corps 14-day camping restriction.

ASSUMPTIONS:

Applicable to Federal, non-Federal and private sector entities.

APPLICABLE LAWS, REGULATIONS AND POLICIES:

Title 36, Part 327.7(6)

ER 1130-2-400

Unwritten extension to all overnight stays

CONSTRAINTS:

The 14-Day stay limitation in Title 36, Part 327.7(6) states that "Camping at any one water resource project for a period longer than 14 days during any 30 consecutive day period is prohibited without the written permission of the District Engineer." This is a regulatory time limitation (14 days) for camping activities on government water resource projects under the jurisdiction of the Department of the Army and developed and administered by the Corps of Engineers. This constraint also covers federal land leased to private concessionaires, non-Federal governments, and other groups for recreational purposes and has been interpreted to cover all overnight stays whether at a camp site or in rental cabins, trailers, or hotel/lodge rooms.

RESOLUTIONS OF CONSTRAINTS:

During the off season the Corps, non-Federal governmental and private sector recreational facilities are usually being utilized at a very low rate and incur a fixed overhead cost without the latitude to lengthen the stay period to attract off-season uses and generate more income. Implementing regulations could be amended to authorize more flexibility and to allow specific waivers to the limitation or to set out general waivers or exceptions to the limitation by Districts. The current regulations should be amended to clarify the unwritten expansion to all overnight stays which are not camping. The 14-day stay limitation is discretionary policy promulgated by the Secretary of Army's office and is not required by law.

POTENTIAL IMPACT OF CHANGE:

Eliminating any time limitation for private sector developers could encourage undesirable long term use (condos, cabins, trailers) that could be undesirable for the using public and restrict use to a narrow segment of the public. Reasonable exceptions or modifications could encourage more use, especially during off-season periods or for less utilized areas.

COMMENTS:

Interagency coordination would be prudent since the Park Service, TVA and U. S. Forest Service impose the 14-day stay limit on recreational area operated by them (in-house personnel). The time limitation policy covering lease areas varies from agency to agency. TVA and U. S. Forest appear to be the more liberal.

The 14-day time limitation regulation policy should be reviewed, evaluated and modified as required on a regional basis to increase utilization of overnight facilities operated by Corps and lessees during the peak and off peak season with the purpose of improving the income flow and achieving better utilization. The southeast and southwest regions have longer recreation periods with a short peak use season (summer) and a low use period during the fall and winter months. The northern areas have a short season.

PROPOSAL:

Lower the lease (rental) costs.

ASSUMPTIONS:

Proposal is applicable only to the private sector who would be providing some type of enhanced recreational opportunities to the public since governmental agencies do not pay monetary consideration when leased land or facilities are operated and maintained for public purposes.

APPLICABLE LAWS, REGULATIONS AND POLICIES:

16 U.S.C. 460d
10 U.S.C. 2667
ER 405-1-12, Chap VIII
ER 1130-2-400
OMB Circular A-25, dated 23 Sept 59

CONSTRAINTS:

Presently the rental cost for leasing of Corps administered lands are based on the Graduated Rental System (ER 405-1-12 para. 8-22c) or fair market value. Major/minor concessions pay rent based upon the Graduated Rental System (GRS). The GRS is based upon Bureau of the Budget (BOB), now OMB, guidance on rental for recreational development. Rental in general is based upon the principals of OMB Circular A-25 implementing the Independent Officers Appropriation Act (U.S.C.) which requires that the persons receiving a special benefit pay for that use and the Economy Act which states that the lease of buildings and property of the United States must be for money only and that any provision for alteration, repair, or improvement as part of the consideration is prohibited unless specifically authorized otherwise by law (See Section 321 of the Economy Act of June 30, 1962, 47 Stat. 412 (40 U.S.C. 303(b)). All monies received from leasing must be deposited in the United States Treasury.

The private concessionaire pays the required rent cost, whereas governmental agencies do not pay monetary consideration in accordance with the authority in 16 U.S.C. 460d. In those instances where lands are leased for private recreational purposes, the lessee pays the appraised fair market rental value (FMRV) of the land or facility. The private and public sectors are responsible for the development, operation and maintenance of the leased area.

If Government facilities were to be leased to a private entity, then consideration could be given to using the leasing authority of 10 U.S.C. 2667, which allows the offset of rental by the amount of operation, maintenance, repair, and restoration. In order to allow the specific offset for improvements made to the site, additional legislative authority would be required.

RESOLUTION OF CONSTRAINTS:

Within the general constraints of fiscal law and the OMB guidance, if the Secretary of Army determines that another rental system or charges of less than FMRV are in the public interest to stimulate increased recreational development for the public, then he has the discretion under 16 U.S.C. 460d to amend the current system.

In order to specifically offset rental for improvements or development of the site, additional legislative authority would be required.

POTENTIAL IMPACT OF CHANGE:

The states having jurisdiction within Corps water resource project boundaries would receive a reduced total annual amount under 33 U.S.C. 701c-3 (which provides that 75% of total annual lease receipts deposited into the Treasury will be distributed to the states where the project is located). This is a sensitive political issue and Congressional delegations may not want any state entitlement incomes reduced to benefit the private sector. Other private sector entities which do not provide services or facilities for general public recreational purposes may exert Congressional influences for similar treatment. Further, the rental income received from the private sector developers will be reduced and resulting in a reduction of revenues to the U.S. Government.

If laws were passed allowing reduction in rent for increased development, management efforts would increase to ensure development occurred.

COMMENTS/NOTES:

The proposal is inconsistent with the administration's emphasis on enhancing revenues.

PROPOSAL:

Graduated Rental System

ASSUMPTIONS:

It is assumed that the reference to the Graduated Rental System (GRS) as a constraint/restriction meant that the GRS, as it is known today, be revised or eliminated and a new method of calculation be devised. It is not known whether the proposal was made for purposes of lowering rent thus enabling the lessee to spend more on development or whether the proposal was for the purpose of raising rent which would result in more revenue to the Federal Government.

LAW, POLICY, REGULATION APPLICABLE:

ER 405-1-12, Chapter 8.
OMB Circular A-25

CONSTRAINTS:

See general discussion under the proposal to lower rental costs.

RESOLUTION OF CONSTRAINTS:

Changes to the current system have been under review almost continually since its inception, and have included indexing of the Gross Fixed Assets to current value and changes in the handling of boat sales and gasoline sales. Data was collected on every commercial concession to compare the GRS rental collected to a proposed flat rate. A test was proposed in the Private Sector Recreation Development to allow for proposals, but no bids were received. The General Accounting Office recently completed an audit of the Forest Service system, which is almost identical to our GRS, but did not recommend any definite changes. A task force is currently looking at several proposals, including an appraised fair market value, a graduated percentage of gross income, a percentage plus base rate.

In 1961 a public law was passed to allow renegotiation of future rents when in the public interest. This law would authorize renegotiation of future rental, however, lessees could not be mandated to accept a change. We would be contractually obligated to honor the system in the lease, unless a mutual agreement was reached to modify the lease for a new rental system.

POTENTIAL IMPACT OF CHANGE:

If rents were increased, some marginally-profitable operations may not be able to adjust resulting in loss of some services.

PROPOSAL:

Allow non-Federal governmental entities to retain lease revenues, eliminating the current requirements for those funds to be reinvested at the site.

ASSUMPTIONS:

Lease revenue refers to income generated on the leased premises and collected by the lessee, such as fees.

APPLICABLE LAWS, REGULATIONS AND POLICIES:

16 U.S.C. 460d
ER 405-1-12, Chap VIII

CONSTRAINTS:

16 U.S.C. 460d states: "That in any such lease or license to a Federal, State, or local governmental agency which involves lands to be utilized for the development and conservation of fish and wildlife, forests, and other natural resources, the licensee or lessee may be authorized to cut timber and harvest crops as may be necessary to further such beneficial uses and to collect and utilize the proceeds of any sales of timber and crops in the development, conservation, maintenance, and utilization of such lands. Any balance of proceeds not so utilized shall be paid to the United States at such time or times as the Secretary of the Army may determine appropriate." The law only requires that the proceeds from timber and crops must be utilized on the leased premises. As a matter of policy, reinvestment of all revenue under the lease was required. If the lease is strictly for park and recreation purposes, then the revenue generated under the lease could be retained by the non-Federal governmental entity. However, timber and crops may not be used to generate revenue except for leases which include fish and wildlife activity. Also, even if the lease combined fish and wildlife and park and recreation functions, the proceeds clearly identified from sources other than timber and crops could be retained by the lessee.

RESOLUTIONS OF CONSTRAINTS:

The policy and regulations could be amended to allow retention of the proceeds from non-timber and crop sources. The law would have to be amended to authorize the Secretary of the Army to allow non-Federal entities to retain timber and crops revenue and thus eliminating the current requirement for those funds to be reinvested at the site.

POTENTIAL IMPACT OF CHANGE:

Without any restrictions concerning the reinvestment of lease revenues, the non-federal public entities could use funds generated on the leased premises for any of its governmental programs rather than maintain and improve the leased site. In some instances, this would be a revenue windfall that could be used by state/local officials. However, removal of the restriction would also encourage states to take over less-revenue producing sites and combine them with other more popular sites and provide better overall facilities. Cases have developed where the state generated more revenue than needed to be spent at that site, yet other sites could have used the surplus.

COMMENTS/NOTES:

If the current policy is liberalized to allow off site reinvestment by non-federal governmental entities, the recreational public at the popular sites could be the loser.

PROPOSAL:

Allow groups/association etc., who operate parks to charge discriminatory fees to members to encourage those groups to take over recreation areas.

ASSUMPTIONS:

Applicable to non-profit groups and associations (organizations). The groups will develop the recreation area for general public use, however, charge more to non-members than to members.

APPLICABLE LAWS, REGULATIONS AND POLICIES:

16 U.S.C. 460d
ER 405-1-12, Chap VIII
MSG dated 30 May 79, citing Policy letters, 14 Sep 78, 2 Apr 79, Uniform Fee Policy, prohibiting differential fees by non-Federal governmental entities for resident and non-resident

CONSTRAINTS:

The uniform policy on entrance and user fees for recreational facilities at Corps projects is not to permit differential fees for different types of users.

RESOLUTIONS OF CONSTRAINTS:

The standard lease document states that fee schedules will be approved, but does not prohibit preferential treatment to a group, such as the residents of an area. A legal opinion on non-federal governmental entities dated 21 Mar 78, stated that "on the contrary various Supreme Court decisions have upheld the right of a local entity to provide higher entrance fees for nonresident visitors at projects in which federal funds are used. These higher charges are justified on the basis of the resident expenses used to pay for their share of project costs. Since the locals must pay an entrance fee plus tax funds to maintain the project it is only equitable to require nonresidents to pay a higher fee to compensate for this difference." However, as a matter of policy, the Corps prohibits discriminatory/differential fees. Similar restrictions apply to any lessee.

Any change in policy should establish guidelines for when such differential fees would be appropriate and how much development is needed to make this in the public interests. Restrictions could include requirements that the organization is

functioning in the public interest; that the organization provides facilities/recreational experience for several groups, allows use of facilities by the general public or rotates the facilities between member/guests.

POTENTIAL IMPACT OF CHANGE:

The possibility of the group/organization switching to a for-profit organization after the development is constructed. The political implications of allowing member groups to charge differential fees, since the membership fees are voluntary and, therefore, not the same as taxes by a governmental entity.

PROPOSAL:

Lengthen the term of the lease to allow long term financing.

ASSUMPTIONS:

Proposal is applicable to the private sector only in connection with the development of commercial concessions.

APPLICABLE LAWS, REGULATIONS AND POLICIES:

16 U.S.C. 460d
ER 405-1-12 Chapter VIII

CONSTRAINTS:

The Districts are delegated authority to issue leases for up to a term of 25 years for major concessions, within guidelines setting out approved terms for proposed development value. Current regulations allow a longer term if consistent with the proposed development with approval by higher authority. Apparently, some Districts have a policy against offering terms longer than those delegated.

The issue of a 99-year lease being tantamount to a fee disposal may not be a specific legal constraint; however, long-term leases have been viewed by the former Property Review Board and OMB as circumventing the property disposal procedures. If property is not needed by the agency for that long a period, it becomes difficult to justify retention of the property to GSA during the utilization survey process.

RESOLUTION OF CONSTRAINTS:

The delegated dollar guidelines should be reviewed to see if the Districts' authority could be expanded to more closely follow Internal Revenue Service class life and depreciation periods. District policies not to offer longer terms where warranted should also be reviewed. The current regulation provides a vehicle for approval of longer terms for larger developments because the Secretary of the Army has the discretionary authority under 16 U.S.C. 460d to enter into leases for a longer term if in the public interest. These large scale development proposals are often controversial and must be approved by higher authority for that reason. Terms of 50 years have been approved where the development proposed warranted the longer term to allow adequate time for the amortization of the lessee's costs. This is in recognition that banking and lending institutions are reluctant to

provide larger loans secured by assets located on property for which the mortgagor holds a leasehold interest of 25 years or less. In some instances the longer terms were approved where the concessionaire had a proven record of development and wished to expand.

POTENTIAL IMPACT OF CHANGE:

An across-the-board delegation to allow for longer terms would encourage these terms to become routine, as the 25 year term is now, rather than the exception for extra-ordinary development proposals. Lengthening the lease term for some marginal private sector commercial concessionaires may encourage long term mediocrity in public service. If the development is proposed in phases, the lessee may not complete the entire development as proposed and, even if he is on track with the phases, he may not need the longer term at the beginning since he probably did not finance the entire development up-front. Presently, it is very difficult to terminate commercial concession leases for non-compliance, whereas, we have no obligation to renew the lease.

COMMENTS/NOTES:

The provision of recreational services to the public typically results in a low rate of return for private sector investors. Such investors are usually severely impacted by any downturn in the public's demand for recreational services and by operational problems, such as the drought impacts on water levels. Longer terms are not the cure-all.

PROPOSAL:

Seek authority to buy out the concession assets if the site is needed for a higher public use or termination of the lease is desired, rather than the current procedure of requiring removal of the lessee's assets, similar to the authority of the Park Service.

ASSUMPTIONS:

None

APPLICABLE LAWS, REGULATIONS, POLICIES:

16 U.S.C. 460d
ER 405-1-12

CONSTRAINTS:

Army lacks the authority to buy out the lessee's interest in the improvements so that many marginal facilities and/or sites are allowed to continue to avoid the economic hardship on the lessee. Park Service has the authority to buy out the concessionaire, take title to the improvements, and readvertise or remove.

RESOLUTION OF CONSTRAINTS:

Seek legislation to provide the Corps with the authority to purchase the lessee's improvements at fair market value whenever it was in the public interest to do so. Funding would be out of either a special fund set up for this purpose or through the O&M General budget process. We would know several years in advance as we start the planning process that the site was needed for a higher public use. If termination is sought to eliminate a marginal lessee, then we would seek funding as we proceed with termination notices.

POTENTIAL IMPACT OF CHANGE:

This would provide the Corps with the flexibility needed to provide consistently top-quality facilities to the public. If we emphasize more and more provision of recreation facilities through the private sector, the percentage of failures will increase. Our lack of authority has created inequitable situations where districts have continued less-than satisfactory sites or concessions because of the hardship of removal.

PROPOSAL:

Eliminate adverse fee competition from Corps - Ensure that the Corps recreation fees do not undercut private/non-federal competition.

ASSUMPTIONS:

None

APPLICABLE LAWS, REGULATIONS, POLICIES:

Land and Water Conservation Fund Act of 1965, Public Law 88-578, 78 Stat. 897, as amended (16 USC 4601-6)

Title 36, Code of Federal Regulations, Part 327.23

Title 36, Code of Federal Regulations, Part 71

Public Law 90-483, as amended

ER 1130-2-404

CONSTRAINTS:

1. Authority for Charging User Fees -

The Land and Water Conservation Fund Act of 1965, Public Law 88-578, and Title 16 U.S.C., Section 4601 require that users of specialized sites, facilities, equipment or services provided at Federal expense will be assessed fair and equitable fees.

Paragraph d of ER 1130-2-404 specifies "Comparability with recreation fees charged by other Federal and non-Federal public agencies and the private sector within the service area of the management unit at which the fee is charged".

Our current policy is to charge fees comparable to the fee structures used by other recreation providers within the project area for those items we are authorized to exact a fee. Our providing certain facilities without a fee, which is considered by some to be unfair competition, is based on prohibitions from charging fees.

2. Giving price breaks to the Retired and Disabled -

Paragraph 11.b. of ER 1130-2-404 specifies that the Corps of Engineers will comply with procedures established by the Secretary of Interior to permit any citizens of, or persons domiciled in, the United States who have been medically determined to be blind or permanently disabled (for purposes of receiving benefits under Federal law) to receive free Golden Access Passports. Golden passports enable a user to obtain a 50% reduction in user fees for the use of specialized facilities for which general members of the public are assessed a fee. (See also Part 327.23 (d) of Title 36 of Code of Federal Regulations).

3. The Requirement for a Free Campground -

16 U.S.C. 4601-6a (b) and Part 327.23 (e) of Title 36 of Code of Federal Regulations states that "each Corps lake or reservoir where camping is permitted, the District Engineer will provide at least one primitive campground, containing designated campsites, sanitary facilities and vehicular access, where no fees will be charged.

4. Inability to Charge for certain items such as entrance fees -

Title 16, U.S.C., Section 4601-6a(b) specifically prohibits, among other things, "in no event shall there be a charge by any such agency for the use, either singly or in any combination, of drinking water, wayside exhibits, roads, overlook sites, visitor centers, scenic drives, toilet facilities, picnic facilities, picnic tables, or boat ramps".

RESOLUTION OF CONSTRAINTS:

Existing policy could only be changed if specific provisions of Title 16, U.S.C., Section 4601 were amended to either eliminate all restrictions or the specific ones presented above.

POTENTIAL IMPACT OF CHANGE:

Considerable increases in the collection of revenues would occur at Corps operated and maintained areas as well as at selected Concession sites where Corps money was utilized to construct a portion of the facility (ie., Corps constructed a boat ramp that now located within a commercial lease area) if authority to charge for certain items were given. There may, however, be an increase in tort liability with the charging of fees for certain activities and

facilities as per varying state recreational use statutes. The proposed removal of certain "perks" for the elderly and handicapped such as the 50% reduction in fees would generate intense opposition from both public and Congressional interests. A proposal for a general entrance fee or a fee for the use of boat ramps and day use areas would also likely generate considerable controversy. A removal of the free campground requirement would be much less controversial.

PROPOSAL:

Eliminate or reduce all current restrictions on types of recreation lessees may provide on Corps property, such as more local community type recreation facilities (tennis courts, swimming pools, etc.).

ASSUMPTIONS:

It is assumed that the facilities which are the subject of this proposal are "stand alone facilities" (i.e. those facilities which can exist independent of a water resource project). It is also assumed that the project is not a cost-shared project which is discussed in another section. Also, that any type of recreational opportunity to be offered by a lessee will be in the public interest.

LAW, POLICY OR REGULATION APPLICABLE:

16 U.S.C. 460d.

ER 1165-2-400, Appendix B, Subparagraph B-3c.

Unwritten policy applying this list to non-cost shared projects and prohibiting or discouraging stand alone facilities.

ER 405-1-12, Chap VIII

CONSTRAINTS:

There are no apparent law, policy or regulatory constraints. 16 U.S.C. 460d provides that the Secretary of the Army may authorize local interests to construct, operate and maintain public parks and recreation facilities. Since the statute does not provide a definition of the terms "recreation facilities", it would seem that these facilities are not limited to only water resource related facilities. The only limitation would seem to be that the facilities are in the "public interest".

ER 1165-2-400, Appendix B, Subparagraph 3c sets forth the stand alone principle as follows: "Simply stated, if a recreation feature does not take advantage of an opportunity created by the project, it 'stands alone' -- that is, it could be built at the same location without the water resource project and not lose any of its utility. When facilities stand alone, the Corps should not participate in their development." Although this regulation discourages Corps participation in the

development of stand alone facilities, it does not prohibit such facilities when funded by others.

Although there are no apparent written constraints, historically, there has been an unwritten policy, which varies from district to district, prohibiting/discouraging stand alone facilities such as golf courses, tennis courses, childrens playgrounds, swimming pools, etc., on public lands administered by the Corps. Apparently this policy has been based on the feeling that since the authority for authorizing recreational facilities is derived from 16 U.S.C. 460d, that any recreational facilities must be directly related to water resource recreation (e.g. boat ramps, camping pads, marina developments, etc.). It is also based, possibly, on the Corps' lack of authority to cost-share stand alone facilities.

RESOLUTION OF CONSTRAINTS:

A written policy on stand alone facilities would clarify the existing uncertainty and would be within the Secretary of the Army's discretionary authority under 16 U.S.C. 460d and could allow other types of recreational opportunities to be offered by a lessee.

POTENTIAL IMPACT OF CHANGE:

The recreational demands of a large segment of the public may not be well served by the limited range of activities currently authorized. However, if lease restrictions are liberalized, some activities (golf driving ranges, skeet shooting ranges, etc.) may be in direct competition with other private sector providers in the vicinity of the project.

COMMENTS/NOTES:

Any new policy should address the question of how large a segment of the public must be interested in the proposed facility. The various District should review the types of recreational opportunities services now offered by state and local governments and the private sector at Corps lake projects. The regulations should be amended to add a written policy to keep pace with changes in the types of recreational opportunities demanded by the public.

Stand alone facilities should not be rejected flatly, but should be evaluated in terms of compatibility with the master plan, availability of the same facilities elsewhere in the immediate area, economic feasibility, and public demand for such facilities. Approval of these type facilities would certainly enhance the recreational opportunities available.

PROPOSAL:

Allow inclusion of several recreation areas in a single lease instrument.

LAW, POLICY, REGULATIONS:

16 U.S.C. 460d
ER 405-1-12

ASSUMPTIONS:

Since multiple recreation sites within a single project have been included in a single lease instrument, this is assumed to refer to multiple projects or to consolidation of recreation and fish and wildlife into one document so as to allow transfer of funds between projects and uses by non-federal governmental entities and not by private entities.

CONSTRAINTS:

It is our opinion that there are serious obstacles to merging cost-shared projects with projects without cost-share obligations or with different obligations.

The transfer of funds between projects includes consideration of two major issues: one a policy issue and the other a legal issue. As a matter of law, 16 U.S.C. 460d provides that any lease or license which involves lands utilized for the development and conservation of fish and wildlife, forests, or other natural resources, may authorize the licensee or lessee to cut timber and harvest crops and to collect and utilize the proceeds from sales of timber and crops in the development, conservation, maintenance and utilization of such lands and that the balance of any proceeds not utilized shall be paid back to the United States at such times as the Secretary determined appropriate. This appropriate pay-back period was set at five years. As a matter of policy, we extended this concept and required all receipts generated from operations on the premises to be used there or be returned after five years, for both park and recreation leases and fish and wildlife licenses. Therefore, there is a legal/policy difference depending on whether the funds are generated from timber and crops or from other revenue producing activities.

If the lease or license includes fish and wildlife, etc., then the lessee or licensee may be authorized to cut timber and harvest crops. If the instrument does not include these purposes, such as a park and recreation lease, the lessee or licensee may

not be authorized to do these particular revenue producing activities, even though the United States may.

Combined outgrants for park and recreation and fish and wildlife functions are not specifically authorized. Into the 1970's, OASA(I,L&E) voiced strong opposition to the use of one instrument to cover both park and recreation and fish and wildlife activities for various reasons, including the type of estate granted, and required delineation of the areas to be managed for each use. Consolidated leases were approved in a few instances on a case by case basis. The use of consolidated instruments has not been delegated to the field except for PL 89-72 projects under the approved cost-share contracts. Substantial deviation from the delegated forms also includes supplemental agreements which substantially change the approved terms.

One request has been reviewed and approved within the last six years to manage three separate projects as a unit for forestry management purposes and, therefore, use the proceeds from one project at the other projects in the unit. The existing instruments were cancelled. Separate leases were issued for recreational purposes and one 25-year licence was issued covering fish and wildlife, timber, and other natural resources at all three projects. Therefore, the concept has already been approved, but either each specific recommended proposal would need to be reviewed or a generic situation would need to be approved. Some of the facts which would need to be reviewed would be the past record of the state's program, the source and volume of receipts involved, the viability of managing the projects as a unit, the reasons why the projects should be merged together, the type and term of existing outgrants and any project authority limitations.

When dealing with a state, consolidation of all projects within the state may not be possible if the state is divided between districts or if fish and wildlife and park and recreation functions are in separate agencies of the state. Standardization of the separate lease documents with one entity could be negotiated and, if the document is non-standard, be submitted to higher authority for approval.

RESOLUTION:

No legislation is required. An amendment of the policy and appropriate regulation and lease forms would be required.

POTENTIAL IMPACT:

The consolidation of too many projects, sites or functions under one outgrant could create a management nightmare. For

example, if the lessee is in non-compliance at just one project or site, would lease revocation be difficult to justify? In addition, the cost to administer the consolidated instrument would probably not be any cheaper since the land area covered would be the same. Compliance inspections would still have to be site specific. Approvals and coordinations would still be required. Renewal negotiations of one outgrant could be difficult for so many different areas, whereas, standardized lease documents could be staggered to become due in different years.

PROPOSAL:

Allow Corps operation of turned back recreation areas to encourage potential lessees as well as Corps elements to consider less than ideal leasing agreements.

ASSUMPTIONS:

Two scenarios are implied and will be discussed during the evaluation of this proposal: (1) Corps operation of "existing" closed turned back areas, and (2) Relaxation of the existing closure policy to facilitate the leasing of facilities currently operated and maintained by the Corps.

APPLICABLE LAWS, REGULATIONS, POLICIES:

16 U.S.C. 460d

ER 1130-2-400, Paragraph 22 c. and Appendix D

DAEN-CWR-R 10 November 1981 Policy Letter, Subject:
Management Considerations for Recreational Areas Relinquished
by Non-Federal Interests

CONSTRAINTS:

Paragraph 22 c. of ER 1130-2-400 indicates that it is the policy of the Corps to close all leased recreation areas returned to the Corps.

Paragraph D-3 of Appendix D of ER 1130-2-400 specifies that an exception to the closure policy may be considered if each of the following criteria is met:

a. An efficient and feasible management alternative can be effected for implementation by the Corps.

b. Total Corps O&M responsibilities including both funds and manpower requirements are reduced or prevented from increasing.

RESOLUTION OF CONSTRAINTS:

The current closure policy is a best management practice that has been incorporated into ER 1130-2-400. This BMP arose as a strategy in 1981 to manage a situation where three states parks leased by a large eastern state were going to be

turned back to the Corps because of financial problems. It appears that only two sections of ER 1130-2-400 would need to be rewritten to authorize either of the scenarios discussed in the subject proposal.

POTENTIAL IMPACT OF CHANGES:

1. Corps Operation of Existing Closed "Turned back" Areas -

The reopening of existing returned closed facilities by the Corps would certainly provide a service to the public and be received with widespread public support. The existing closure policy has always been unpopular with members of the public because they see facilities built with their tax dollars locked up and not available for use. The cleaning up and rehabilitation of such areas with the purpose of getting them into a condition where they would be attractive to a prospective concessionaire or public non-federal lessee might well result in additional outgrants. Notwithstanding this, it would seem unwise to continue to keep already existing areas at a project closed while overcrowding occurs at other areas on the same project.

2. Relaxation of the existing closure policy to facilitate the additional leasing of public recreation areas currently operated and maintained by the Corps -

Evaluation of this proposal is difficult. Its implementation would undoubtedly result in an increase in leases for recreational purposes. This proposal would act as an incentive to those who sincerely want to undertake a venture but are hesitant because of the specter of closure if they were to fail. It could, however, lead to a move to lease newly rehabilitated Corps campgrounds where there is a potential to collect significant quantities of user fees. The negative impact of this would be that routine and major maintenance could be avoided and an entire facility turned back after it was in a condition requiring major maintenance, repair, and facility replacement. The consequences of this would be low quality public campgrounds and deteriorated facilities that would require a large Corps investment for rehabilitation. However, relaxation of the existing closure policy and a simultaneous revitalization of the old cost sharing program could probably be effectively used to foster the development of new recreation areas at existing projects.

PROPOSAL:

Encourage college or university to run park(s) using students who are gaining college credits and/or money from their efforts, i.e. graduate assistants/interns, etc.

ASSUMPTIONS:

NONE

LAWS, POLICY, REGULATIONS APPLICABLE:

16 U.S.C. 460d

CONSTRAINTS:

None, the leasing of a park area to a college or university is allowable under current policy, laws, and regulations.

PROPOSAL:

Encourage a tax law change to allow for tax breaks for construction of recreational facilities on Corps land.

ASSUMPTIONS:

Applicable to private sector development only.

APPLICABLE LAWS, REGULATIONS AND POLICIES:

IRS Tax code

CONSTRAINTS:

The Secretary of the Army lacks of the legal authority to authorize tax breaks. Any constraints are in the IRS tax code. Any developer would be able to take advantage of the usual tax incentives for development of facilities.

RESOLUTIONS OF CONSTRAINTS:

Work with Internal Revenue Service to get a legislative change to allow this type of recognition.

POTENTIAL IMPACT OF CHANGE:

The needs of general public would be restricted to those activities that produce maximum income and tax incentives.

PROPOSAL:

Foster local lake organizations/committees to lobby for private/non-federal recreational facilities/developments on Corps lands.

ASSUMPTIONS:

The term foster is defined as "to promote the growth or development of". A lake association or committee is defined as a formally organized body with a written set of by-laws and a board of directors or officers organized for the purpose of assisting governmental agencies such as the Corps in the management of project lands and waters.

APPLICABLE LAWS, REGULATIONS, POLICIES:

ER 1-1-8
ER 1130-2-400, Paragraph 23 a. (1)
ER 1130-2-432

CONSTRAINTS:

Paragraph 23 a. (1) of ER 1130-2-400 indicates that major plans or programs affecting public use of project lands and waters shall be submitted for comment to the appropriate individual or officer of organizations such as Federal and state wildlife agencies, local conservation groups, sportsmen clubs, and lake associations.

Paragraph 23 a. (5) of ER 1130-2-400 indicates that working relationships will be maintained with local private recreation industries, lake associations, conservation organizations, and professional societies and exchange views, speakers, exhibits and publications.

Paragraph 23 a. (6) of ER 1130-2-400 states that communication should be maintained through various means including public meetings or agency coordination meetings at all organizational levels. Congressional leaders and state and local government representatives will be kept apprised to impending policy changes or actions which may be controversial.

Paragraph 8. of ER 1130-2-432 indicates that volunteers may carry out any activity for the Corps of Engineers except policy making or law or regulatory enforcement. Almost any other type of work may be performed by volunteers.

Paragraph 4 of ER 1-1-8 states that 18 U.S.C. 1913 prohibits the use of appropriated funds, directly or indirectly, to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device intended or designed to influence in any manner a Member of Congress to favor or oppose, by vote or otherwise, any legislation or appropriation by Congress.

RESOLUTION OF CONSTRAINTS:

Where the Corps would be utilizing an organization to lobby Congressmen for legislation or appropriations for privatization, such actions could be undertaken only after the modification of Title 18.

POTENTIAL IMPACT OF CHANGE:

Evaluating the impacts of this proposal are difficult because much would depend upon just how the Corps uses the Association. If the Corps were to only inform the group of its privatization initiative for development of new recreational facilities as a part of the task of getting public input to better manage a project, this would be well within current policy guidelines. If, however, the Corps were to attempt to utilize such groups to push its agenda in the political arena it appears as though that this action would violate the 18 U.S.C. 1913, as cited above. If the statute were changed to allow for the Corps to directly support an organization which would lobby on the Corps' behalf, it is likely that considerable public opposition would arise.

PROPOSAL:

Increase Private/Non-Fed. Involvement with Marketing and Promotion

1. Engage in economic promotion and marketing to encourage private/non-federal entities to lease recreation areas which are capable of earning a profit.
2. Use Corps resources to develop a regional promotion program for the region/area/lake/park.

ASSUMPTIONS:

Assume that the proposed development area has been allocated in the Master Plan for this type of development.

LAW, POLICY, REGULATION APPLICABLE:

ER 405-1-12, CH 8 provides for advertising potential lease sites in recreational publications and other media.

PL 85-481
ER 37-2-10

CONSTRAINTS:

The costs associated with promoting and developing an area through an organized marketing plan are not covered in our general O&M budget. These could be done by contracts which are subject to availability of funds and priority need.

Currently there is no policy in place which allows us to develop a promotion plan for our projects. P.L. 85-841 authorizes the Chief of Engineers to publish information pamphlets, maps, brochures, and other material on civil works projects and to charge a price not less than the cost to reproduce, except for simple roadmaps which would be given free to project visitors. This is implemented by ER 37-2-10.

RESOLUTIONS OF CONSTRAINTS:

Develop policy within the authority of PL 85-480 to make better use of the regional and project brochures. Authority to actively market, advertise and promote projects and regions would require legislation.

POTENTIAL IMPACT OF CHANGE:

If Corps was allowed to contract with marketing agencies, we could benefit from their expertise as well as getting national exposure through use of their mailing lists.

With legislation in place to develop and implement a professional marketing and promotion plan, a larger segment of the population could be reached through the various media sources. Active marketing could also be used to educate the public on the Corps roll in recreation. Increased marketing would result in drawing more tourists and lake users to our lake.

PROPOSAL:

Offer entire lakes for lease to private sector for public recreation (minus the dam and outlet works) to encourage private sector/non-federal recreational development.

ASSUMPTION:

There are certain inherent governmental functions even in the recreation, environmental, fish and wildlife, cultural, and natural resource management areas which probably can not be transferred to a private entity. It is assumed that the dam and outlet works are not offered to the private sector since the operation of these facilities is a government function that should not be contracted out. It is also assumed that the Corps would retain control of all other operational areas necessary to comply with its statutory and regulatory responsibilities.

It is assumed that the Master Plan and lakeshore management allocations are in place and that the revision of these documents is not to be turned over to the private entity since these decision making functions are a government function which must balance competing interests. Fish and wildlife obligations will not be assumed and the authority to cut timber can not be transferred. Title 36 enforcement authority and state concurrent law enforcement authority can not be transferred.

The lease offer shall have been made to other federal, state, and local government entities prior to soliciting lease proposals from the private sector. Non-profit organizations have been considered.

It is assumed that this proposal concerns enhancement of "public" recreation and is not a proposal concerning private recreational uses such as club sites, yacht club sites, or cottage sites.

APPLICABLE LAWS, REGULATIONS AND POLICIES:

16 U.S.C. 460d
10 U.S.C. 2667
ER 405-1-12, Chap VIII
ER 1130-2-400
36 CFR 327.30(d)(3)
PL 88-587. Sec 2(d)
Forest Cover Act

CONSTRAINTS:

Preference is to be given to Federal, state or local governmental agencies when leasing land and facilities at water resource projects. 16 U.S.C. 460d.

Leases to non-governmental entities must be granted competitively and for fair market consideration. ER 405-1-12, subparagraphs 8-20d and j.

There could be specific constraints from the project authorizations. Under 16 U.S.C. 460d, the Secretary of the Army is given almost complete authority to administer lake project areas in whatever manner he "may deem reasonable in the public interest." However, 16 U.S.C. 460d provides that "The water areas of all such projects shall be open to public use generally for boating, swimming, bathing, fishing, and other recreational purposes, and ready access to and exit from such areas along the shores of such projects shall be maintained for general public use, when such use is determined by the Secretary of the Army not to be contrary to the public interest." A free campground must also be provided, if camping is provided.

The current policy and regulations concerning private exclusive use and 14-day stay limit would restrict or limit the private sector capability to develop, operate and maintain a leased project area at a reasonable return on its investment.

RESOLUTIONS OF CONSTRAINTS:

A statutory change would be necessary to eliminate preferential treatment for leasing to governmental entities. Although a regulatory change would be necessary to change the requirement for competition, the ASA is authorized to waive competition in certain cases (i.e. "where it will be in the public interest or promote national defense to fore go competition; where competition is impracticable, e.g. where an adjoining owner has the only means of access to the land to be leased." ER 405-1-12, subparagraph 3d).

The current policy concerning private exclusive use and the 14-day policy are discussed in a seperate proposal. The general considerations of 16 U.S.C. 460d are also discussed in a seperate section.

Any policy decision to make the entire project available to one private entity should address whether the overall management and operation of the recreation aspect of the project involves discretionary decisions that make it an inherent government function, just as the operation of the dam and outlet works are, and, therefore, should not be offered to a monopoly/private

entity. The provision of recreational opportunities through the private sector have always provided for overall governmental management discretion not driven by the profit motive and for competition between the various private entities.

POTENTIAL IMPACT OF CHANGE:

A statutory change to eliminate the requirement to give governmental entities preferential treatment would eliminate any potential conflicts where both a private and governmental entity are interested in developing and/or managing the same area. Elimination of competition would subject the government to a great amount of criticism concerning the manner in which lessees are selected. Since waivers of competition are already available, provided the ASA reaches the decision that a waiver is in the public interest, a regulatory change does not seem necessary.

The following impacts may occur if the entire project is outgranted to one private sector entity:

a. Increase in day use rates, as the lessees' charges will be more in line with actual cost of operation and competition will have been eliminated.

b. May violate project authorizations which balance various purposes, i.e. fish and wildlife, recreation, natural resource management, flood control/hydro power, and place greater emphasis on those activities which produce the greater profits.

c. Corps resources management standards may not be fulfilled by private sector management which could reduce the quality of future natural resources available.

Some level of FTE (personnel) would still be required at the project due to the many inherent governmental functions which can not be transferred to the private entity.

COMMENTS/NOTES:

Many of the constraints to leasing to a private entity do not apply to leases to non-Federal governmental entities. A related proposal has been implemented by leasing a Corps project to non-federal governmental agencies. On 1 September 1981 the Federal Government leased B. Everett Jordan Dam and Lake Project to the State of North Carolina for a fifty (50) year term. North Carolina has the right to use and occupy approximately 45,478 acres of land and water areas. The Corps is paying for 100% of the initial recreational facility development cost. After the initial development phase, it is anticipated that the Federal and North Carolina will cost share future recreation facility development at this project. There are many other similar cases where Department of the Army water resource projects have been leased to non-federal governmental agencies, but not to private entities.

This proposal is already authorized pursuant to the broad leasing authority the Secretary of the Army has under 16 U.S.C. 460d. However, there are considerable constraints to leasing entire lakes to private entities for public recreation. Because of the large amount of O & M costs associated with managing an entire lake, this proposal only seems feasible on smaller projects where there is a large amount of revenue available to the lessee.

PROPOSAL: Ease the cost sharing restriction on development, pay back, types of facilities, potential sponsors, etc.

ASSUMPTIONS: Cost-sharing only - not to apply to 100% non-Federal funded.

LAW, POLICY, REGULATION APPLICABLE:

PL 99-662 and PL 89-72 on cost-sharing with non-Federal public entities for new projects. Applied as policy to older projects.

ASA(CW) policy letter of 16 June 1983 requireing advance payment by local sponsors for recreation cost sharing development and eliminating payment over time.

ER 1165-2-400, App. B, List for cost-shared facilities

CONSTRAINTS:

See above

RESOLUTION OF CONSTRAINTS:

We are currently not authorized to cost share with private sector entities. If this is contemplated, the law must amended.

Policy on payment and approved facilities would need to be modified.

POTENTIAL IMPACT OF CHANGE:

We could expect some private sector sponsors to be interested in cost-sharing, especially if the payment in advance and approved facilities list were modified. Many smaller non-Federal government entities are eliminated by the advance payment requirement.

PROPOSAL: Offer low interest, long-term Federal loans for private/non-Federal entities to develop public recreational facilities on Corps lands/waters.

ASSUMPTIONS:

Non-Federal entity means non-Federal Governmental entity. Loans would be an alternative to cost-sharing.

LAW, POLICY, REGULATION APPLICABLE:

PL 89-72 and PL 99-662 authorize cost sharing with non-Federal public bodies but make no provisions for similar arrangement with private entities. Long terms loans paid back with interest are not authorized.

CONSTRAINTS:

See above.

RESOLUTION OF CONSTRAINTS:

Authorization by Congress to provide low interest loans.

POTENTIAL IMPACT OF CHANGE:

Loans, even with interest, could be more attractive to non-Federal governmental entities who can not come up with an advance cost-sharing payment. Private sector development is traditionally done with financing, so that attractive low interest would enable more development by private entities.

PROPOSAL: Lease out lands for public recreation and then construct all or part of the infrastructure including roads, parking lots, boat ramps and sanitary facilities (which usually constitutes the largest initial capital expenditure).

ASSUMPTIONS:

That the development is not at a new project.

LAW, POLICY, REGULATION APPLICABLE:

1. 16 U.S.C. 460d
2. ER 405-1-12
3. Applicable lease forms
4. ER 1164-2-400
5. PL 99-662/Policy prohibiting new Federal development of recreational facilities.

CONSTRAINTS:

Budgetary constraints of funding such development.

RESOLUTION OF CONSTRAINTS:

Modification of the existing cost-sharing legislation may be required to allow this type of split in funding. Modification of various policies.

POTENTIAL IMPACT OF CHANGE:

Not fully known at this time. The Army would expend more money in the development of infrastructure facilities.

PROPOSAL: Seek legislative authority to acquire land to facilitate recreation development under eminent domain to provide a private/non-Federal entity with adequate land and location to engage in profitable public recreation activities.

ASSUMPTION:

1. The legislation would be generic authority.
2. Current project authority is not adequate.
3. Eminent domain does not preclude direct acquisition and is being used in a broader context of Federal acquisition.

LAW, POLICY, REGULATION APPLICABLE:

1. ER 405-1-12
2. ER 1165-
3. ER 1130-2-438, Master Planning

CONSTRAINTS:

1. Funding
2. Many older projects lack acquisition authority for recreation, however, this is not true of all projects.
3. Urban projects, especially "Eisenhower" projects, have intense development up to the project boundary and additional acquisition might not be feasible.

RESOLUTION OF CONSTRAINTS:

Each individual project would have to be reviewed to determine if land available for recreational activities was inadequate for profitable operation. Those projects which were identified as requiring additional land could then follow existing procedures for requesting Congressional authority to acquire that land. If additional authority were provided in a generic legislation, those procedures could be followed.

PROPOSAL: Consult with and provide expertise to private/non-Federal governmental entities on risk management and provide design and/or construction services to accomplish assessed remedies.

ASSUMPTIONS:

It is not known whether these services were intended to be provided free or on a reimbursable basis. It is assumed that the services would not be free, but would be at a reduced rate.

LAW, POLICY, REGULATION APPLICABLE:

Work for others

CONSTRAINTS:

Funding and manpower.

RESOLUTION OF CONSTRAINTS:

Some Districts would be better able to provide services than others. Funding and manpower would be required.

POTENTIAL IMPACT OF CHANGE:

Improved risk management would provide a better service to the public.

PROPOSAL: Fund or provide maintenance of an area with the operation left to the private/non-Federal entity.

ASSUMPTIONS:

1. Maintenance means major maintenance and not routine maintenance associated with yearly operation.
2. A lease is in effect with the entity
3. The non-Federal governmental entity is not obligated under a cost-share contract to provide maintenance.

LAW, POLICY, REGULATION APPLICABLE:

1. 16 U.S.C. 4601-13 and 16 U.S.C. 460d
2. PL 89-72
3. PL 99-662

CONSTRAINTS:

PL 89-72 and PL 99-662 require the local sponsor to be responsible for operation and maintenance. No distinction is made in law between major or minor maintenance. Even if Congress modified the requirements, any changes to contracts entered into under these laws would have to be carefully reviewed for impact on original project authorities.

RESOLUTION OF CONSTRAINTS:

Congress would have to authorize the Army to provide maintenance of facilities developed under previous cost-share programs.

The authority to enter into cooperative agreements with private entities would need to be clarified. For areas built at full Federal expense or for older projects where cost-share restrictions are applied as a matter of policy, existing project authority to expend money for maintenance could be sufficient to allow such cooperative arrangements.

POTENTIAL IMPACT OF CHANGE:

The funds needed to provide major maintenance to aging facilities and infrastructure will be a serious impediment to

having non-Federal governmental or private entities take over existing Corps-operated areas. If we could continue to fund for these expenditures, then other entities might be interested in taking over the yearly operational costs. This could save Federal funds expended for the operation of the area.

Since fees are usually associated with the yearly operation, we would have to review whether we would give up all fees collected or retain a percentage. We would lose revenue and SRUF money.

PROPOSAL: Fund feasibility studies as the cost of feasibility studies deters potential recreation providers from pursuing leases.

ASSUMPTIONS:

That the intent is to fund the recreation provider's study and not to provide additional Corps studies. That the statement is correct that this is a deterrent.

LAW, POLICY, REGULATION APPLICABLE:

ER 405-1-12

ER 1130-2-428, Master Planning

CONSTRAINTS:

Market analysis and feasibility studies are currently performed before a site is offered for lease. Funding would be required for each additional study.

RESOLUTION OF CONSTRAINTS:

Change policy and request additional funding.

POTENTIAL IMPACT OF CHANGE:

The impact is difficult to assess. More studies would be performed if the Federal Government were paying the tab.

SECTION 2

REVIEW OF PROPOSALS SUGGESTED TO ENHANCE
THE CORPS MANAGEMENT OF RECREATION SITES

PROPOSAL:

Expand Congressionally authorized project purposes to allow more diversification of use of public lands.

ASSUMPTIONS:

None

APPLICABLE LAWS, REGULATIONS, POLICIES:

Each individual project authorization

16 U.S.C. 460d (Flood Control Act of 1944, Section 4)

Flood Control Act of 1962

Federal Water Project Recreation Act of 1965 (P.L. 89-72)
(79 Stat. 213, 16 U.S.C. 46011-12)

Public Law 86-717, Forest Cover Act (74 Stat. 817)

Section 3 of the Fish and Wildlife Coordination Act (P.L. 85-624) (72 Stat. 563)

Public Law 93-205, Endangered Species Act of 1973

Rivers and Harbor Act of 1958, Section 104, Control of Undesirable Aquatic Plants, 33 U.S.C. 610)

Public Law 99-662, Sections 906, 926, 1127, and 1134

ER 1130-2-400

ER 1165-2-400

ER 1130-2-406, Lakeshore Management

CONSTRAINTS:

Each project has a specific authorizing legislative document. In addition, project lands can now be utilized for a variety of uses and purposes, but the authorities for these additional activities consist of fragmented pieces of legislation that have accumulated over a period of 45 years.

RESOLUTION OF CONSTRAINTS:

The fragmented and scattered authorities within the areas of recreation and natural resource management can be consolidated by passage of an organic act, similar to that of the Park Service Organic Act of 1916 (16 U.S.C. 1, 2-4) and the Forest Service Organic Act of 1944 (16 U.S.C. 52 -527) as enlarged by the Multiple-Use Sustained Yield-Act of 1960 (P.L. 86-517, 74 Stat. 215; 16 U.S.C. 528-531). The wording of an analogous act for the Corps might read:

An Act to authorize and direct that Water Resource Development Projects operated and maintained by the Corps of Engineers under direction of the Secretary of the Army be managed under principles of multiple use and to produce a sustained yield of products and services, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That:

Sec. 1. It is the policy of the Congress that Water Resource Development Projects operated and maintained by the Corps of Engineers under the direction of the Secretary of the Army are established and shall be administered for multiple-use to include outdoor recreation, range, timber, watershed, and wildlife and fish purposes. The purposes of this Act are declared to be supplemental to, but not in derogation of, the purposes for which the various Water Resources Development projects were established as set forth in their individual authorizing legislation. Nothing herein shall be construed as affecting the jurisdiction or responsibilities of the several States with respect to wildlife and fish on Water Resource Development Projects.

Sec. 2. The Secretary of the Army is authorized and directed to develop and administer the renewable surface resources of Army Corps of Engineers operated and maintained Water Resource Development Projects for multiple use and sustained yield of the several products and services obtained therefrom. In the administration of Water Resource Development Projects due consideration shall be given to the relative values of the various resources in particular areas.

Sec. 3. In the effectuation of this Act the Secretary of the Army is authorized to cooperate with interested State and local governmental agencies and others in the development and management of Water Resource Development Projects and to accept and use donations of money, property, personal services, or facilities for the purposes of this part.

Sec. 4. As used in this Act, the following terms shall have the following meanings:

(a) "Multiple-use" means: The management of all the various renewable surface resources, to include recreation, historic and archaeological resources, and the aesthetics of viewsapes, of the Water Resource Development Projects in the combination that will best meet the needs of the American people; making the most judicious use of the land for some or all of these resources or related services over areas large enough to provide sufficient latitude for periodic adjustments in use to conform to changing needs and conditions; that some land will be used for less than all of the resources; and harmonious and coordinated management of the various resources, each with the other, without impairment of the productivity of the land, with consideration being to the relative values of the various resources, and not necessarily the combination of uses that will give the greatest dollar return or the greatest unit output.

(b) "Sustained yield of the several products and services" means the achievement and maintenance in perpetuity of a high-level annual or regular periodic output of the various renewable resources of the water resource projects without impairment of the productivity of the land.

(c) "water resource development project" (define. . .)

POTENTIAL IMPACT OF CHANGE:

The passage of an organic act would clarify our existing authorities, make management of all projects more consistent, and make them much more understandable to the public and various user groups. The end product should be a more consistent and uniform program of management across the 472 Water Resource Development Projects operated and maintained by the Corps of Engineers. Implementation of this proposal would lead to a more diverse use of project lands and raise the public visibility of the recreation and natural resource management programs. The passage of an organic act would provide a clear signal to today's environmentally conscious society that the Corps is a leader in environmental management. This proposal is clearly appropriate when considered along with Corps involvement in various other environmental programs such as the North American Waterfowl Management Plan, the Upper Mississippi River System Environmental Management Plan, and the Great Lakes Environmental Action Program. Implementation of the proposal to draft an organic act would also do much to strengthen our contention that the Corps should qualify for disbursements from the Land and Water Conservation Fund.

PROPOSAL:

Reduce planning and design standards to lower costs.

ASSUMPTIONS:

This very general comment is interpreted to refer to the "gold-plating" comment that is sometimes made in reference to selected Corps constructed recreation facilities.

APPLICABLE LAWS, REGULATIONS, POLICIES:

EM 1110-1-400, Recreation Planning and Design Criteria

EM 1110-2-410, Design of Recreation Areas and Facilities - Access and Circulation

CONSTRAINTS:

None

RESOLUTION OF CONSTRAINTS:

Old perceptions die hard. "Gold plating" is a clear violation of guidance contained in EM 1110-1-400. There are, therefore, no real constraints to eliminating this problem. This problem can be eliminated when it does occur through an interdisciplinary team approach to the design process. Paragraph 1-4. d. of EM 1110-1-400 outlines a procedure to follow for this approach.

The design criteria and standards contained in EM 1110-1-400 are intended to produce safe, efficient, cost-effective recreation facilities that are accessible and enjoyable to all. The design must provide for the health, safety, security and comfort of the visitor in all aspects of development. Paragraph 1-4. c. of the same EM states that care must be taken to avoid overdesign and underdesign in both size and number of facilities. Economy of scale and life cycle cost analysis using cost effective materials must be considered. Facilities should be consistent with anticipated visitation and the carrying capacity of the site. Cost effective off-the-shelf items should be incorporated where compatible with resource use objectives established in the Master Plan.

POTENTIAL IMPACT OF CHANGES:

Without any data on the extent or magnitude of overdesign it is not possible to assess the impact of its elimination. Certainly, at the individual project level it will stretch construction dollars and result in the Corps better serving the tax paying public. Additionally, it would encourage more non-federal agency recreation participation because of the reduced quantity of funds required to design and construct recreation facilities.

PROPOSAL:

Reduce O & M Standards.

ASSUMPTIONS:

None.

APPLICABLE LAWS, REGULATIONS, POLICIES:

ER 1130-2-400

EM 385-1-1, Safety and Health Requirements Manual

Virtually all ER 1130-2-XXX Regulations

Occupational Safety and Health Act and Standards

Federal Insecticide, Fungicide, and Rodenticide Act (92 Stat. 816, 40 C.F.R. 160 - 180)

Federal Water Pollution Control Act, as amended (86 Stat. 816)

Superfund Amendments and Reauthorization Act of 1986

Endangered Species Act of 1973, P.L. 93-205, as amended (50 C.F.R. 402 and 50 C.F.R. 17)

National Historic Preservation Act of 1966, as amended (P.L. 89-665, section 110; 36 C.F.R. 60, 63, 800)

National Environmental Policy Act (NEPA) of 1969 (P.L. 91-190; U.S.C. 4321-4347)

Amendments to P.L. 96-95 U.S.C. 470aa-11 contained in Public Law 100-555, Section 14 and Protection of Archaeological Resources Uniform Regulations (18 C.F.R. 1312, 32 C.F.R. 229, 36 C.F.R. 296, and 43 C.F.R. 7)

Resource Conservation and Recovery Act amendments of P.L. 94-580, 42 U.S.C. 6912, and 42 U.S.C. 6991

Safe Drinking Water Act (P.L. 93 523)

CONSTRAINTS:

Many broad procedural standards are imposed by various

Federal and State laws. Those listed above are only a sampling of those that impact O&M at Corps operated and maintained Water Resource Development Projects. Many of the specific standards specified within Corps EM's, TM's, and regulations reflect requirements imposed by Statute or are best management practices developed through application of the Corps Safety and Health Requirements Manual. The question suggested by the proposal is too indefinite to specifically address.

RESOLUTION OF CONSTRAINTS:

The constraints on modifying a standard vary with the specific standard itself and the basis for that standard. Some may be easily changed, whereas others may require legislative action by either the Federal or specific state governments. Still other standards may not be changed because they protect the health and safety of staff or the visiting public. A resolution statement cannot be made without reference to a specific standard.

POTENTIAL IMPACT OF CHANGES:

An easing of the various restrictions imposed by the above laws would certainly reduce the expenditure of funds but this probably would not be desirable from a social or ecological standpoint. There is no uniform set of Corps standards for items such as garbage pickup, the mowing of grass, etc. because of the tremendous diversity represented at the 472 projects operated and maintained by the Corps of Engineers Natural Resources Management element. Individual Resource Managers and their staffs are responsible for conducting programs which service the public in a fiscally responsible manner.

PROPOSAL:

Make master plans and operational management plans dynamic to enable quick response to change in trends and conditions.

ASSUMPTIONS:

None.

APPLICABLE LAWS, REGULATIONS, POLICIES:

ER 1130-2-400, Paragraph 9, Appendix B

ER 1130-2-435 Paragraphs 7d and 8

CONSTRAINTS:

Funding has not been made available to do timely revisions of the Master Plans and Operational Management Plans under the new regulations. Paragraph 10 of ER 1130-2-400 indicates that OMP's and Master Plans will be updated as required and when funds are available through the budget priority process. Paragraph 7d of ER 1130-2-435 states that coordination with other agencies and the public shall be an integral part of the master planning process. The process shall be conducted in a manner which maximizes long term cost effectiveness of the preparation, maintenance, and implementation.

RESOLUTION OF CONSTRAINTS:

The Operational Management Plan itself replaced the old appendices to project master plans. The concept behind this action was to develop a working document that is prepared by the project staff primarily for their use in the management of the project's recreational and natural resources. The yearly work plan contained within the OMP makes the entire document extremely dynamic. There are no institutional constraints which prevent the document from being dynamic, in fact, the OMP is supposed to be dynamic and responsive to change. The newness of the concept in selected areas may be the reason for the problem expressed in the proposal.

The revisions of Master Plans to reflect changing conditions is slow in most cases because of the low priority it is generally given in the budgetary process. The extensive public review required for Master Plan revisions also makes the process

inherently slower than OMP revisions. Revision times for Master Plan updates can be shortened by giving those line items a higher rating in the budgeting process.

POTENTIAL IMPACT OF CHANGES:

Operational Management Plans can be made dynamic by simply complying with the existing provisions of ER 1130-2-400. The document is supposed to be dynamic and responsive to changes in conditions. For the most part OMP's are dynamic and responsive to change. Where this is currently not the case, management will become more efficient and objective oriented when the OMP's are utilized as intended by existing regulations.

The more timely updating of Master Plans will increase the effectiveness of OMP's because they are supposed to be consistent with the content of Master Plans. The recent effort to create OMP's has clearly illustrated just how badly out-of-date many Master Plans have become. The end product of more timely Master Plan revisions will be the provision of facilities and services that better meet visitor desires.

PROPOSAL:

Initiate peer review process.

ASSUMPTIONS:

Peer in the context of this discussion refers to a panel of Project Managers from outside a particular Division. The panel would visit projects, make inspections and review management practices. The panel would then make recommendations and suggestions on new/better methods of operation and management efficiencies.

LAW, POLICY, REGULATION APPLICABLE:

There are no laws, policies or regulations that prohibit the establishment of such groups. Policy could be established by OCE, possibly as part of the USACE Inspection Policy, Draft EC 1-1-222.

CONSTRAINTS:

Due to the large number of projects, every project would only be visited, realistically, once every 10-20 years. Funding and manpower constraints would hamper full implementation of the program.

The panel's recommendations would have to be properly staffed before implementation.

RESOLUTIONS OF CONSTRAINTS:

Develop policy.

POTENTIAL IMPACT OF CHANGE:

Some managers may be receptive to constructive criticism while others may resent the intrusion.

PROPOSAL:

Allow on-site manager to determine where all of the project money goes; all overhead charges would be approved by him/her.
"Authority equal to the responsibility."

ASSUMPTIONS:

None

LAW, POLICY, REGULATION APPLICABLE:

OM 37-2-10, CH 6 - Financial Administration, COEMIS F&A
Subsystem (Overhead)

ER 37-2-10, CH 7 - Procedures for overhead/revolving fund
activity

AR 37-1

CONSTRAINTS:

AR 37-1 prohibits committing an operating budget (cannot lock
in a specified operating budget).

RESOLUTION OF CONSTRAINTS:

Regulations cited above would need to be revised,
particularly AR 37-1, to allow project managers to commit a
project operating budget (limit who can charge to it and how much
they can charge).

POTENTIAL IMPACT OF CHANGE:

Technical indirect offices, i.e., F&A, PAO, etc., would be
limited in what appropriations they could spend their overhead
over.

COMMENTS/NOTES:

None

PROPOSAL:

Swap out recreation areas with other agencies to facilitate maintenance and management efforts through clustering of areas of responsibility.

ASSUMPTIONS:

Exchange of areas would be done through the outgrant process or, if to the Forest Service or Park Service, through the interchange process.

LAW, POLICY, REGULATION APPLICABLE:

ER 405-1-12

16 USC 460d

(interchange authority)

ER 1130-2-400, Appendix D, Authority to continue operation of areas relinquished by others under certain circumstances.

CONSTRAINTS:

Corps policy is to close leased recreation areas turned back to the Corps. (ER 1130-2-400)

Policy is to only swap recreation areas which could be managed within existing resources.

RESOLUTIONS OF CONSTRAINTS:

Swaps or exchanges of recreation areas can be accomplished under existing regulations if certain exceptions to the park closure policy are met.

POTENTIAL IMPACT OF CHANGE:

Swaps of recreational areas can provide for a more efficient and feasible operation for both agencies.

PROPOSAL:

Lower the approval level requirements to the on-site manager.

ASSUMPTIONS:

Proposal refers to contracting, purchasing and outgrants. Environmental, cultural, and historical approval levels vary from district to district.

LAW, POLICY, REGULATIONS APPLICABLE:

Purchasing: EFARS (Engineer Federal Acquisition Regulation Supplement) dated 31 July 1989
AFARS (Army Federal Acquisition Reg. Supp)

Contracts: EFARS dated 31 July 1989

Outgrants: ER 405-1-12

CONSTRAINTS:

Purchasing: New EFARS removes open market purchase order authority for ordering officers (ordering officers are at each project).

ARARS 1.698 (Army Federal Acquisition Reg. Supp) allows ordering officers to purchase with impressed funds or charge accounts. There is a \$2500 maximum established by the regulation.

Service and construction contracts are limited by AFARS 1.698 to a maximum of \$2500 and \$2000 respectively.

Contracts: New EFARS, dated 31 July 1989, gives project managers authority as COR (Construction Officer Representative) to approve construction contract modifications up to \$100,000.

Outgrants: ER 405-1-12 designates Chief of Real Estate as contracting officer. The approval level for Master Plan review, environmental, cultural, and historical clearances may require district level review.

RESOLUTIONS OF CONSTRAINTS:

Revision of ERARS to reinstate open market purchase order authority and to increase purchase authority from impressed funds and charge accounts. Also require increase in service and construction contract limits established by AFARS 1.698.

Require change in ER 405-1-12 allowing Chief of Real Estate to delegate outgrant contracting authority to project managers, if the approval level for Master Plan review and environmental, cultural, and historical clearances has been delegated to the project.

POTENTIAL IMPACT OF CHANGE:

This could provide faster turn around, at less expense, if review by the district is totally eliminated.

PROPOSAL:

Re-organize for a more efficient operation.

ASSUMPTIONS:

The assumption is made that this item is in reference to a reorganization within the District, i.e., Real Estate, Operations, Planning or field offices.

LAW, POLICY, REGULATION APPLICABLE:

ER 10-1-3

CONSTRAINTS:

Authority for reorganization within a District is given in ER 10-1-3, however, the District Engineer is not authorized to change missions and internal stovepipes. Reorganizations of this type can be accomplished by the District Engineer or his designated representative.

RESOLUTIONS OF CONSTRAINTS:

This proposal requires further explanation of the scope of reorganization contemplated.

POTENTIAL IMPACT OF CHANGE:

Reorganizations can sometimes be costly. Need to look at benefits derived vs. cost of reorganization.

PROPOSAL:

Adopt a "one stop outgrants service" which authorizes project manager to issue licenses/permits.

ASSUMPTIONS:

It is assumed that this proposal is intended to combine the shoreline management permits with the outgrants for appertenant facilities, such as powerlines, steps, tramways, etc.

LAW, POLICY, REGULATION APPLICABLE:

ER 405-1-12
16 U.S.C. 460d
10 U.S.C. 2667
ER 1130-2-406

CONSTRAINTS:

ER 405-1-12 established Real Estate Division as the administrator for all outgrants. The Secretary of the Army has certain authorities, i.e., 10 U.S.C. 2667, 16 U.S.C. 460d etc. to outgrant property under his control.

ER 1130-2-406 sets out policy on shoreline management permits and sets out those activities which require a permit and which an outgrant.

RESOLUTIONS OF CONSTRAINTS:

The SecArmy has delegated some of his outgranting authority to Chiefs of Real Estate, District Commanders, Division Commanders etc. Certain delegations would have to be amended to provide for delegation down to project managers to enable them to operate under a "One stop outgrant service". Combination outgrant documents would need to be developed which would be used with no deviations. Training and oversight would have to be provided by Real Estate to project personnel. An alternative, used by some districts where the volume of outgrants justifies, is to assign a real estate person to the project to eliminate the district level review.

POTENTIAL IMPACT OF CHANGE:

Faster service to the public.

PROPOSAL:

Reduce the frequency of in-house inspections.

ASSUMPTIONS:

Inspections refers to utilization inspections and EO Utilization Surveys.

LAW, POLICY, REGULATION APPLICABLE:

The Federal Property Act of 1949, as amended
The Federal Property Management Regulations, 41 CFR
EO 12512
ER 405-1-12
McKinney Homeless Act and current Court order

CONSTRAINTS:

GSA implements the FPA in the FPMR (41 CFR 101-47.2 and 101-47.8) which requires annual surveys and reviews of all Federal real property. EO 12512, the latest in a series of real property management Executive Orders, requires periodic review of real property holdings. ER 405-1-12 implements these requirements through the annual utilization inspections program. GSA has established a 5 year turn around on EO surveys. The Army, and other Federal agencies, are currently under Court Order to report qualifying properties identified in these surveys for possible use by the homeless.

RESOLUTIONS OF CONSTRAINTS:

Reduction of the frequency would require an amendment of the GSA regulations which would be implemented by a change in ER 405-1-12. We are currently working with GSA on an amendment to the ER to clarify our survey/inspection program and to bring it into compliance with the FPMP and the Court Order.

POTENTIAL IMPACT OF CHANGE:

Some project with little change in use could be surveyed less frequently at a savings in personnel and resources. This could be offset by a failure to recognize trends and underutilization.

PROPOSAL:

Provide Test Sites for experimental recreation, i.e., demonstration projects.

ASSUMPTIONS:

LAW, POLICY, REGULATIONS APPLICABLE:

ER 405-1-12

ER 1130-2-400

CONSTRAINTS:

There is no specific law or regulation which prohibits demonstration projects.

Policy requires that out of the ordinary or unique development by a lessee be approved by a higher authority than the District; usually Division or OCE. Since there is no specific authority for this type of development, there are not guidelines detailing criteria, term, etc. Since demonstration projects usually are approved at a higher level, it usually takes quite a long time to get the approval.

RESOLUTIONS OF CONSTRAINTS:

Policy guidelines should be developed for uniformity among Districts. Delegation to the District level would decrease amount of time for approval.

POTENTIAL IMPACT OF CHANGE:

Demonstration project would allow Districts to test feasibility of unique, one of a kind developments without tying the Corps down to a long term contract.

PROPOSAL:

Provide more facilities wanted by the visiting public.

1. Monitor facility use levels and conduct visitor preference survey and eliminate unwanted facilities and services.
2. Review trend analysis and develop strategies.

ASSUMPTIONS:

None

LAW, POLICY, REGULATION APPLICABLE:

Policy letter dated 6 Jan 1984 from DAEN-CWP states that questionnaire items for collection of planning data must adhere to Office of Management and Budget guidance. Also requires Division Engineer approval of individual questionnaires. No other laws, policies or regulations are known which would prohibit implementation of proposal.

CONSTRAINTS:

OMB constraints on the collection of data from the public.

RESOLUTIONS FOR CONSTRAINTS:

POTENTIAL IMPACT OF CHANGE:

Would provide method to better determine what the public is really looking for in recreation facilities.

COMMENTS/NOTES:

None

PROPOSAL:

Expand the number of commercial activities allowed on Corps lands and waters, including stand alone vendors within park and camping areas, and charge appropriate fees for these activities.

ASSUMPTIONS:

This proposal refers to commercial activities such as guide and outfitters services, floating food vendors, concession stands for ice, magazines, and sundrys, and vending machines for soft drinks, which are licensed in some districts as a minor concession and ignored by others.

LAW, POLICY, REGULATIONS APPLICABLE:

ER 405-1-12
ER 1130-2-400

General Administrative authority of the Secretary of the Army

CONSTRAINTS:

We currently do not have a national policy encouraging these small commercial activities, although the policies for licensing minor concessions could be applicable in some cases. Commercial activity within camping areas is not allowed, including vending machines and mobile vendor stands. Fishing and hunting guides operate on the lakes without any licensing.

RESOLUTIONS OF CONSTRAINTS:

Policy guidelines should be developed for uniformity among Districts. BLM (43 CFR 8370) and Park Service (36 CFR 5) have a guide and outfitters permit program which could be studied for modification to our needs. Most state and local jurisdictions require a business activity to have a permit or license to conduct the business, ususally with a flat fee.

POTENTIAL IMPACT OF CHANGE:

The public would be served with convienent access to various services and the Government would receive income from activities that, in many instances, are being conducted anyway.

PROPOSAL:

Institute adopt-a-park programs.

ASSUMPTIONS:

LAW, POLICY OR REGULATION APPLICABLE:

33 U.S.C 569c
33 U.S.C. 591
ER 1130-2-432
ER 1130-2-400

CONSTRAINTS:

33 U.S.C. 569c authorizes the Chief of Engineers to accept the services of volunteers and to provide for their incidental expenses to carry out authorized activities. ER 1130-2-432 provides policy and procedural guidance on accepting the services of volunteers.

Volunteers may not be used to carry out policy making or law or regulatory enforcement. 33 U.S.C. 569c. Volunteers may not handle Government funds nor operate government owned or leased vehicles. ER 1130-2-432, Subparagraphs 5 and 7. Reimbursement of volunteers' incidental expenses is authorized but is not to be routinely offered. ER 1130-2-432, subparagraph 9c.

33 U.S.C 591 authorizes the acceptance of land or materials. ER 1130-2-400 provides the guidance on acceptance of materials and personal property up to \$5,000. There is no authority to accept money, such as the Park Service (16 U.S.C. 4601-1).

RESOLUTION OF CONSTRAINTS:

A statutory change would be necessary to allow for the acceptance of money and to allow volunteers to carry out policy making or law or regulatory enforcement. A regulatory change would be required to allow volunteers to drive government owned or leased vehicles. A regulatory change would be required to make reimbursement of volunteers' incidental expenses mandatory or routine.

POTENTIAL IMPACT OF CHANGES:

If a statutory change allowed the acceptance of money, property, personal services or facilities, our ability to attract Corporate volunteers and other groups rather than just individual

efforts would be greatly expanded. A statutory change to allow volunteers to carry out inherent governmental functions, such as policy making or law or regulatory enforcement, would be detrimental to both the Corps and the public and would also impact other governmental agencies. This restriction is consistent with contracting out requirements under OMB Circular A-76. Volunteers do not have the training or experience necessary to make policy decisions which can be uniformly applied, and might not be covered by the exceptions to the Tort Claims Act. The enforcement of laws or regulations also requires extensive training and experience which volunteers would not have. A regulatory change to allow volunteers to drive government owned or leased vehicles would potentially make volunteers more useful. With regard to the payment of incidental expenses, a regulatory change to encourage payment would probably increase the expense of the volunteer program thereby reducing and O & M savings.

COMMENTS/NOTES:

The promotion of an adopt-a-shoreline/park program is already available to the Corps, vis a vis, its volunteer program. Although some reduction in costs may be realized through this type of program, there are associated costs in supervising the program. Also, the proposal would do little to enhance recreational opportunities.

SECTION 3

GENERAL DISCUSSION OF LAWS, REGULATIONS, AND POLICIES
CONSTRAINING OR AFFECTING RECREATION DEVELOPMENT

LAW, POLICY OR REGULATION:

Section 4 of the Flood Control Act of 1944, as amended (16 U.S.C. 460d) which is the general leasing statute used by the Corps is authorizing recreational development at water resource projects.

CONSTRAINTS:

Authorizes the Corps or "local interests" to construct, operate and maintain public park and recreational facilities.

Authorizes leasing land and facilities thereon for such periods and upon such terms and for such purposes as the Secretary of the Army deems reasonable in the "public interest".

Leases to nonprofit organizations may be granted at reduced or nominal consideration.

Preference given to governmental entities in leasing lands and facilities. Leases may be without monetary consideration.

Revenue generated from the sale of timber or harvesting of crops on leased land must be used either in the development, conservation, maintenance and utilization of the leased lands or paid to the United States.

DISCUSSION:

The constraints most relevant to private sector development are the preference for governmental entities in leasing land and the requirement that the leasing of lands to private entities be for money only. Assuming a situation in which both a private entity and a governmental entity were interested in leasing the same area, 16 U.S.C. 460d requires the Secretary of the Army to lease the area to the governmental entity. A statutory change would be required to allow the private entity to be given equal or preferential consideration.

COMMENTS:

It seems unlikely that the preference requirement is a constraint since the private and governmental sectors aren't generally interested in development of the same areas. However, large scale development with a large profit potential will often attract a non-Federal governmental entity to come in and insist on being the go-between so that the money will go to it and not to the United States (the non-Federal governmental entity leases without monetary consideration). Campground operations might be one type of facility in which both sectors would be interested.

LAW, POLICY OR REGULATION:

ER 405-1-12, subparagraph 8-3c requires reasonable attempts be made to obtain competition through advertising prior to leasing real property. "Competition for use of public property is the general rule; waivers are the exception."

CONSTRAINTS:

Regulation limits the districts' ability to negotiate a lease with the private sector without competition.

DISCUSSION:

Competition is the general rule to obtain the best possible leasing arrangement for the United States and to dispel any question of preferential treatment to a person or entity. ASA(I,L &E) may waive competition in certain cases (i.e. "where it will be in the public interest or promote national defense to fore go competition; where competition is impracticable, e.g. where an adjoining owner has the only means of access to the land to be leased." ER 405-1-12, subparagraph 8-3d).

COMMENTS/NOTES:

The only apparent constraint on waivers of competition is a finding by ASA that the waiver is in the public interest, or promotes national defense, or that competition is impracticable. Waivers of competition are the exception rather than the rule and are only given when the facts of the case support that the Government is not compromised. It should be noted that competition is not required where the lease is to be issued to a state or local government agency or a nonprofit organization for public park and recreational purposes because 16 U.S.C. 460d authorizes the preferential leasing to these groups.

LAW, POLICY, OR REGULATION:

Non-Federal public agencies - When Army authorizes an activity it does not pass along our authority to do that activity. Can the Corps authorize what it lacks the authority to do?

CONSTRAINTS:

Federal, State and Local Laws

DISCUSSION:

a. The Corps is prohibited from doing an activity and the law which prohibits the activity does not limit the prohibition to the Corps, i.e. user fees, per legal opinion dated 15 July 1986 on fees charged at lease recreation areas.

b. The Corps is prohibited from doing an activity but the law specifically allows others to do it, i.e. entrance fees.

c. The project authority is silent on the activity.

d. Federal law generally allows the activity under state regulations, i.e. gambling and alcohol.

e. The Corps authority for an activity is different from the authority used to lease sites for recreational development, i.e. grazing.

If the Corps is prohibited by law from authorizing an activity then it would lack the authority to allow another party to engage in such activity. The Corps could not grant authority it does not have to another party. The lack of legal authority should be examined in any case to determine if the activity is one that is generally illegal or is one that is merely not provided for in the enabling legislation for the project or is specifically spelled out in a general statute, i.e. 16 U.S.C.460d, the Land and Water Conservation Fund Act of 1965. In the middle situation the Government could state its concurrence in the activity if it chooses to do so without having the specific authority to allow it or do it itself. In the former situation the Government would refrain from giving its concurrence.

Another constraint here would be if the party seeking authority to do an activity were prohibited by law, particularly state or local, from doing so. For example, in areas regulated by the state or local governments, such as sales of alcohol or gambling, the leasing authority or project legislation may not prohibit or deny the Corps the authority to allow such activities, but the state or local law would prevent these activities such that the Corps would not grant the right to someone who could not otherwise exercise it.

LAW, POLICY, OR REGULATION:

Outgrant vs. service contract - "GOCO"/2667 lease for industrial plants on military - Where is each appropriate/legal? FAR implications. Service Contract: Gov. pays contractor to operate gov. facilities; Lease: lessee pays gov. rent and builds facilities

CONSTRAINTS:

FAR 45.302-1
FAR 45.302-3
10 U.S.C. 2667
16 U.S.C. 460 d

DISCUSSION:

As a general rule, contractors must furnish on their own all property needed to perform a contract. FAR 45.302-1. There are, however, exceptions to this rule. One of the exceptions is where property is furnished by the Government for use in a government-owned, contractor-operated plant (GOCO) where a cost-plus-fee contract is used. For certain contracts facilities may be provided to a contractor under a contract other than a facilities contract. FAR 45.302-3. One type of such contracts is where the contract is for services and the facilities are to be used in connection with the operation of a Government-owned plant or installation. FAR 45.302-3. It appears that under these types of exceptions to the rule that contractors themselves must furnish the property needed to perform a contract the Government intends to have production of a product or performing of a service solely for government use or purposes. The Government intends to maintain control of the premises and the contractor's production or service is to be a part of the operation of the installation.

Under 10 U.S.C. 2667 the Government has authority to enter into leases of industrial facilities on Government-owned land for private manufacturing. The purpose of the statute (P.L. 80-364) is to "broaden and make uniform" the authority of the "War and Navy Departments to lease government property." The legislative history indicates that the purpose of the leasing provision is to enable property not immediately needed to be leased in such a manner that it will be used with as few changes as possible in order that the property could immediately be put back into operation in the event of an emergency. Industrial plants which were financed by the Government at great expense were built for the manufacture of defense items such as ammunition and explosives. The intent of the legislation was to

have as many facilities as possible which are adaptable to peacetime uses be leased to responsible parties which can operate them without making such changes as to prevent them from being immediately used by the Government in an emergency situation. As part of the consideration for such leases the lease can provide for the lessee to be responsible for the maintenance, protection, repair or restoration of the property. The lease is to allow for revocability at any time or in a national emergency.

COMMENTS:

It appears that in leasing under Section 2667 the Government intends to allow a somewhat independent operation to take place. There may be a benefit being provided to the Government in keeping the facility maintained and repaired for future Governmental use and in keeping the manufactured product by the lessee, but the product or operation is not part of the overall operation of the installation nor is being manufactured solely for the Government under a cost-plus-fee basis contract. In contrast, as stated in FAR 45.302-3 (a) (3), a GOCO contract intends for the facilities to be used in connection with the operation of the installation. Under the GOCO situation, there does not appear to be the independence of the contractor which exists with the lessee under a 2667 lease.

The constraints and consideration to be made in each case is to look to the type of product and service which is needed and to determine if it is to be provided as an integral part of the operation of the installation or is it a product which will merely serve the needs of the installation. If so determined, then the GOCO contract would be appropriate. On the other hand, if the Government's intent is to allow use of a plant or facility in a more independent fashion, albeit in the public interest, and to have it maintained, repaired and protected, but it is not presently needed for public use and it is more beneficial to have another party using and maintaining it, then the 2667 lease would be appropriate. The control factor is important to consider in that the method to apply would seem to be based on the amount of control which the Government intends to have over the manufacturer/contractor in addition to the question of whether or not the nature of the production or service is an integral part of the installation operation. Also, it would seem that in a GOCO situation that the Government would have more control over the cost of overhead of the operation so that this would be known prior to entering into the contract. Under an out-lease, if the Government is purchasing a manufactured product then it would appear that it would not have the control over overhead costs and would absorb the same as part of the purchase price.

LAW, POLICY, OR REGULATION:

Federal Property Act (FPA) of 1949, as amended - restrictions on sale of Federal property: GSA policies, regulations and delegations concerning the sale of excess real property on Corps water resource projects to non-federal public agencies or private sector entities for the development/operation of recreational facilities.

AUTHORITIES which restrict the sale of federal properties:

FPA 1949: Administrator of General Services Administration (GSA) has disposal responsibility and delegation authority

41 CFR Ch 101-47.3 FPMR Surplus Real Property Disposal

40 U.S.C. 484 Disposal of Surplus Property

41 CFR Ch 101-47.6 Delegations

Delegation to the Dept. of Defense to dispose of excess real property less than \$1,000.00. Authority to redelegate.

ER 405-1-12 Chapter 11 - Disposal of excess property

CONSTRAINTS:

Submittal of reports of excess for real property valued over \$1,000.00 to GSA for disposal.

Environmental, Cultural and Homeless screening requirements

GSA required Screening through Federal Agencies 30 days

GSA required Screening through Eligible Public Agencies

DE's retain care and custody responsibility until final disposition, expenses for 12 months

Limited Negotiated Sales Authority (Recent amendment to FPA to allow GSA approval of negotiated sales up to \$100,000; not redelegated to agencies at this time; over that still require explanatory statement to Congressional committees)

Competitive bidding required on sales to private sector entities for property under \$1,000.00 unless waived

BRIEF DISCUSSION:

Normally, all fee owned lands determined to be excess either through Utilization Surveys and Executive Order Survey reports,

with Fair Market Value (FMV) greater than \$1,000 are reported to GSA for disposition. After screening, property is advertised for sale to the general public and sold to the most advantageous bid above appraised value.

Properties under \$1,000.00 can be disposed of by the agency, normally screening can be waived through Federal and State Agencies if the DE indicates such screening would serve no useful purpose. Property must still be submitted to higher authority and screened for homeless requirement. Properties are then advertised for competitive bidding and sold at the most advantageous bid above the appraised value, unless negotiated sale is the only feasible option, i.e. to cure an encroachment.

Negotiated disposal is strictly controlled by Congressional oversight. Recent amendments to the FPA now allow GSA to review the disposals without going to the Congressional committees with an explanatory statement. This has not been redelegated except for \$15,000 on timber, crops, etc.

There is no authority to exchange real property for development, in lieu of cash.

COMMENTS:

Congressional legislation would be required to change the law(s) in order to accomodate the direct/negotiated sale of excess/non-excess Corps water resource real property to a non-federal public agency or private sector entities in exchange for development, operation and enhancement of opportunities for public recreation purposes. Further, the sale of real property to non-federal agencies or private sector entities could severely jeopardize the public's long term recreational opportunities due to the erosion of water resource land base, and should only involve property not needed for project operations.

LAW, POLICY, OR REGULATION:

Compliance inspections to enforce the Government standard(s) and legal constraints on the standards of Government oversight

CONSTRAINTS:

1. General Safety Requirements Manual, EM 385-1-1: Sanitation (water, toilets, washing facilities, food service, temporary sleeping quarters), lighting, poisonous and harmful substances, signs and warning signs, fire protection, gas equipment, noise control, electrical wiring, potable water.
2. Public Law 92-500 - Federal Water Pollution Control Act, as amended (86 STAT. 816) and ER 1130-2-407 - Operating and Testing Potable Water Systems.
3. National Environmental Policy Act of 1969 (NEPA) as amended (42 U.S.C. 4321 et seq).
4. ER 405-1-12, Chapter 8.

BRIEF DISCUSSION:

Responsible land management requires the landlord to perform compliance inspections of leased premises to insure that the lease terms are not being violated and that the use of the premises is in accordance with the agreement. The government agency, as landlord, has an even greater fiduciary duty on behalf of the United States and is obligated to conduct compliance inspections on leased recreational areas as required to insure compliance with the terms and conditions of the lease agreement and where necessary to take reasonable steps to enforce compliance.

In performing health and safety inspections, the compliance inspection often communicates specific/detailed violations based on an observation sampling of the total facility area. He reports these violations to the lessee when there are many unknown serious deficiencies unreported. When the lessee corrects only the violations reported, the government is assuming a duty or obligations of said lessee and this act places the government in a liable position. In this case discretionary authority should be exercised with care.

If local, county or State laws prohibit any type of activity within the area we cannot allow it on leased areas. If there are no local, county or State laws, we will control by federal laws; they are in effect carrying out federal laws on our behalf.

COMMENTS:

In order to limit legal constraints, the laws would have to be changed to reduce Government standards, especially where it comes to environmental and safety matters. An agency does not have discretionary authority to allow standards to be lowered without changing the law. In order to attract more outside business, we would have to get Congress to change laws to reduce our standards and this would not be desirable.

LAW, POLICY OR REGULATION:

ER 1130-2-400, subparagraph 18a. provides that "in order to preserve a wholesome family atmosphere in the public park and recreational areas of lake projects, the sale, storage or advertising of alcoholic beverages is not permitted."

CONSTRAINTS:

This regulation discourages major hotel/resort development which depend on continuity between different hotels in the same chain or affiliation and on alcohol sales as a large source of revenue.

DISCUSSION:

Although the regulation gives the appearance of discouraging private sector development, two exceptions are set out in subparagraph 18b. which allow the sale of alcoholic beverages in some circumstances.

The first exception allows the District Commander the option to authorize the sale of malt beverages and light wines in public park and recreation areas where it is the custom, as defined by state and local laws and regulations, to dispense such beverages in those type of areas. Even if authorized to sell malt beverages and light wines, the concessionaire is prohibited by this regulation from advertising outside the buildings in which they are authorized to be sold.

The second exception in subparagraph 18b. authorizes the Commander, USACE to approve the sale of whiskey or other hard liquors as long as the liquors are served incidental to major dining facilities such as park hotels, lodges, motel-dining facilities, and clubs. This exception includes a similar restriction prohibiting advertising outside the buildings in which the liquors are sold. The sale of hard liquors from a separate bar/lounge in a hotel, lodge, motel or club is not permitted under the traditional interpretation of this exception because the sale is not considered incidental to a major dining facility.

COMMENTS/NOTES:

This regulation/policy is consistent with the water safety program and the limited enforcement authority of Corps employees. If major hotel/resort development is to be encouraged, consideration will need to be given to allowing the sale of hard liquors in a bar/lounge which is separate from the dining facilities, although a dining facility is present. Any change in this policy would require a change in the regulation.

LAW, POLICY OR REGULATION:

Leases are granted for monetary consideration only, unless specifically authorized by law.

CONSTRAINTS:

Congress has jealously guarded its prerogative to appropriate money and has sought to guard against encroachment by the executive departments. To ensure that the executive shall remain wholly dependent upon appropriations it is required (with limited and very specific exceptions) that the gross amount of all money received from whatever source for the United States be deposited into the Treasury. As additional safeguards against unauthorized executive activities, the acceptance of voluntary services is generally prohibited and the use of Government property by outside parties shall be for money only, and that any provision for alteration, repair, or improvement as part of the consideration is prohibited unless specifically authorized otherwise by law. (See Section 321 of the Economy Act of June 30, 1962, 47 Stat. 412 (40 U.S.C. 303(b)). Lease receipts deposited into the Treasury are shared with the States (75%).

If the recreational leases were issued under the authority of 10 U.S.C. 2667, the rental could only be offset for operation, maintenance, repair and restoration of improvements actually leased from the Government. A statutory change in 16 U.S.C. 460d (similar to that found in 10 U.S.C. 2667) would be required to authorize the use of rental offsets or acceptance of services in lieu of monetary consideration.

The general language of the leasing authority of 16 U.S.C. 460d, used for recreational development at water resource projects, allows leases on such terms as the Secretary of the Army deems reasonable in the public interest, this authority is interpreted to be restricted by the specific limitations of 40 U.S.C. 303b, which prohibits any offset of money rental for repair or improvement of property which is leased.

COMMENTS/NOTES:

The inability to accept other than monetary consideration for leasing lands to private entities appears to be more of a constraint. It is possible that 10 U.S.C. 2667 could be used as authority for leasing areas for recreation purposes, however that statute has other constraints not included in 16 U.S.C. 460d (See separate analysis).

The rest of the constraints in 16 U.S.C. 460d appear to be

minimal. The Secretary of the Army has broad discretion in using this authority to lease property. The only prerequisite is that the lease be in the public interest.

COMMENTS/NOTES:

The inability to accept other than monetary consideration for leasing lands to private entities appears to be more of a constraint. It is possible that 10 U.S.C. 2667 could be used as authority for leasing areas for recreation purposes, however that statute has other constraints not included in 16 U.S.C. 460d (See separate analysis).

The rest of the constraints in 16 U.S.C. 460d appear to be minimal. The Secretary of the Army has broad discretion in using this authority to lease property. The only prerequisite is that the lease be in the public interest.

LAW, POLICY OR REGULATION:

10 U.S.C. 2667(b)(4) authorizes the use of rental offsets as consideration for leasing property under the control of the Secretary of a military department.

CONSTRAINTS:

Leases must either be in the public interest or promote national defense.

Lease term limited to five years unless Secretary makes finding that an additional term is in the public interest or promotes national defense.

Lease revocable at will unless omission of such a provision would promote the national defense or be in the public interest.

Lease may provide for the maintenance, protection, repair, or restoration, by the lessee, of the leased property as part or all of the lease consideration. Consideration must be fair market value; there is no general authority for nominal rent.

Money rentals must be deposited in the United States Treasury.

DISCUSSION:

10 U.S.C. 2667 is the general leasing authority used by the Corps for military properties and agricultural lands at both military and civil works projects. It is also the leasing authority for existing Federally constructed facilities, such as military industrial facilities or general use of river and harbour property. This leasing authority will only be attractive to private entities, since non-Federal governmental entities can lease property for no monetary consideration and non-profit groups for nominal consideration under 16 U.S.C. 460d. Although there is no apparent prohibition against using this statute for park and recreational leases on civil works projects, 16 U.S.C. 460d has been used traditionally because of the greater discretion given the Secretary in issuing a lease for recreation purposes. Normally leases issued pursuant to 10 U.S.C. 2667 are revocable at will and limited to five years, however, the Secretary does have the authority to modify these requirements if it promotes the national defense or is in the public interest. The ability to offer rental offsets under this statute is attractive for areas that the private sector might be interested in managing were it not for the maintenance costs associated with the area. This does not authorize offsets for capital improvement costs.

LAW, POLICY OR REGULATION:

SHORELINE MANAGEMENT

CONSTRAINTS:

1. ER 1130-2-406 provides primary guidance regarding the management of project shorelines at Corps of Engineers operated and maintained Water Resource Development Projects. The following references provide additional guidance or were the basis upon which ER 1130-2-406 was developed:

- a. Section 4, 1944 Flood Control Act, as amended (16 U.S.C. 460d).
- b. The Rivers and Harbors Act of 1894, as amended and supplemented (33 U.S.C. 1).
- c. Section 10, River and Harbor Act of 1899 (33 U.S.C. 403).
- d. National Historic Preservation Act of 1966 (P.L. 89-665; 80 Stat. 915) as amended (16 U.S.C. 470 et seq.).
- e. The National Environmental Policy Act 1969 (42 U.S.C. 4321, et seq.).
- f. The Clean Water Act (33 U.S.C. 1344, et seq.).
- g. The Water Resources Development Act of 1986 (P.L. 99-662).
- h. Title 36, Chapter III, Part 327, Code of Federal Regulations, "Rules and Regulations Governing Public Use of Water Resource Development Projects Administered by the Chief of Engineers."
- i. Executive Order 12088 (13 October 1978).
- j. 33 CFR 320-330, "Regulatory Programs of the Corps of Engineers."
- k. ER 1130-2-400, "Management of Natural Resources and Outdoor Recreation at Civil Works Water Resource Projects."
- l. EM 385-1-1, "Safety and Health Requirements Manual."
- m. Public Law 97-140, Section 6 (U.S.C. 460d).

2. Background.

Since the Rivers and Harbors Act of 1894 (33 U.S.C. 1) and the River and Harbor Act of 1899 (33 U.S.C. 403) the Corps has controlled structures placed into waters under its jurisdiction. This control has been extended to include waters deemed non-navigable but under the management of the Corps.

Section 4 of the Flood Control Act of 1944, as amended, authorized the War Department to provide for the recreational use of reservoirs under its control. Circular No. 3179 dated 26 February 1945 set out the first guidance on the new recreation mission. Because of the war, emphasis was to be placed on development and maintenance by state or local governments. Revocable leases for one year were authorized to individuals desiring to occupy sites for their personal use in order to use the reservoirs to the fullest extent practicable immediately. Circular Letter 4231 dated 26 September 1946, provided instructions outlining the various policies and procedures for administering the projects to obtain the maximum benefits to the public. The types of recreational facilities and improvements which might be provided were public campgrounds, picnic areas, boat-launching and docking facilities, organized camp areas, overnight and vacation accommodations, and cottage sites.

Prior to relocation benefits, the Government allowed existing residential use to remain when property was acquired to mitigate the impact of the project. Some of the cottage site and residential leases were a result of this period. On 6 August 1956, P.L. 84-999 provided the Secretary of the Army authority to sell lands available for cottage site development. Since 1956, over 3,500 cottage sites have been sold or phased out.

During this same period a number of private club sites and quasi-public group sites such as churches and scouts were established through leases to more fully utilize public lands (Old Priority 2, 3, and 4 lands).

Adjacent landowners were also granted licenses to install docks and appurtenant facilities to further foster the idea of project utilization. Dock permits were, in some cases, even granted to members of the general public at locations near the public road ends. During the 1950's public recreation facilities were almost non-existent except for State facilities, many of which had been constructed by the Civilian Conservation Corps during the Great Depression. The general wisdom at that time was that Water Resource Development Projects were rural, remote sites that would never be utilized.

By the mid-1960's significant social and economic changes began to occur within the United States. Federal policy began to change to account for the massive changes that were beginning to take place. Many of the prior private uses began to conflict with

national policies prohibiting structures for human habitation being located in lands subject to flooding in the interest of protecting human life and property. Increased public interest in, and demand for, outdoor recreation along with the passage of legislation such as the Fish and Wildlife Coordination Act of 1958, the Forest Conservation Act of 1960, and the Federal Water Project Recreation Act of 1965, resulted in an assessment of the entire concept of private exclusive use on public land. Private use was considered contrary to the concept of maximum overall use for general public purposes.

In 1965, the Army made the decision to phase the Corps out of the cottage program and revised the guidance for the sale of cottage sites that were leased. The Department of Interior and the U.S. Fish and Wildlife Service also issued new guidance curtailing cabin site development during this same time frame.

The rapidly increasing use of project lands for recreation purposes along with the conditions discussed above led to the decision that the use of project lands for private purposes such as floating structures, boat houses, walkways, etc., would have to be controlled and managed in a more orderly manner. Until this time no uniform policy had existed. It was recognized that such development had to be controlled in order to preserve the aesthetics of projects. In 1974 ER 1130-2-406 was promulgated to manage the lakeshore resource at Water Resource Development Projects. It became the policy of the Corps to manage the private exclusive use of public property to the degree necessary to gain maximum benefits to the public. Private exclusive use would not be permitted on new lakes or on lakes where no private facilities or uses existed as of the date of the regulation. Such use was permitted only to honor past commitments that had been made. A Lakeshore (Shoreline) Management Plan was to be prepared for each Corps lake project where private recreation facilities existed in 1974.

Under the guidance of ER 1130-2-406 the shorelines of projects where a Shoreline Management was required, were zoned for appropriate public and private use. A permit form and review procedure were developed to administer the program. A fee structure was developed to help defray the costs of administering the program. However, because of political and other considerations, the fee structure is inadequate and does not begin to defray the administrative costs of the program. Additionally, permit fees do not reflect the market value of the privilege gained by adjacent landowners through the issuance of lakeshore permits.

With the final deadline for the phase-out of cabin leases approaching in 1988, Public Law 97-140 was enacted on December 29, 1981. This law precluded further phase out by directing the Chief of Engineers to continue certain existing facilities through

December 1989. This law made no provision for termination and removal, other than for threat to life or property.

In 1986 additional Congressional action was taken regarding the treatment of both cabin leases and private floating structures. P.L. 99-662, Section 1134, subsection (a) - (c) indicated that cottage site leases issued under 16 U.S.C. 460d or assignments in effect on 31 December 1989 shall be continued indefinitely until (1) such time as the leaseholder, or any successor or assignee, terminates the lease, or (2) the Secretary terminates the lease because the property is needed for immediate use for public park purposes or other higher public use or for navigation or flood control project; or if the leaseholder substantially violates a provision of the lease. The legislation did specify, however, that any continuation of the lease beyond 31 December 1989 would be at fair market value and on such other reasonable terms and conditions not inconsistent with the law. Continuation cannot be made unless the leaseholder holds the United States harmless from any claims for damages or injury to persons or property arising from occupancy and agrees to not unreasonably expand existing improvements. No change was made in the lease form to provide for year-around residential use. The ASA has stated, however, that leases will not be terminated if the lease were violated by the site being used as a full-time residence. Only cottage site leases entered into by the Secretary of the Army under 16 U.S.C. 460d are continued and P.L. 99-662 is not an authorization to make additional sites available. Any termination for immediate use for public park purposes or other higher public use or for navigation or flood control project will be submitted to CERE-MC for approval.

Public Law 99-662, Section 1134, Subsection (d) addressed the removal of houseboats, boat houses, floating cabins, sleeping facilities, or lawfully installed docks or appurtenant structures. After September 31, 1989, the structures just mentioned shall not be required to be removed if located on project lands on the date of this act providing (1) such property is maintained in usable and safe condition, (2) such property does not occasion a threat to life or property, and (3) the holder of the lease, permit, or license is in substantial compliance with the existing lease or license, except when necessary for immediate public purposes or other higher public use for a navigation or flood control project.

3. Historical and Policy Implication of Present Trends and Initiative.

Lands have been acquired by the Federal Government for park and recreation, wildlife, and forest management purposes since the early 20th century when Theodore Roosevelt was instrumental in creating the national forest system. For a period of nearly three decades the Corps and the Department of the Army have pursued a policy of increasing involvement into the field of public outdoor

recreation. It was not until the 1960's that the Corps of Engineers began development at Water Resource Development Projects for outdoor recreation purposes on a large scale. As the use of public recreation facilities increased, the demand for such facilities placed an increasing demand upon public lands. That increased demand began to conflict with the private exclusive use of public property which had been previously encouraged. A policy evolved within the Executive and Legislative Branches of the Federal government which implicitly recognized the societal benefits accruing from public recreation. It was subsequently determined that the public use of public lands acquired with general tax revenues should take precedence over exclusive private use where the land resource is a scarce commodity. Recent Congressional action through P.L. 97-140 and P.L. 99-662, Section 1134, appears to be a rollback or reversal of a very basic historic public land management policy that has developed over the first 80 years of the 20th century. The concerns of highly organized, clearly identifiable constituencies such as landowner associations seem to be receiving more consideration than the "general" public. It is conceivable that we may be re-entering an era similar to the 1950's where private recreation and private exclusive use take precedence over public recreation and publicly provided recreation facilities and the concept of maximum overall use for general public purposes will be abandoned. The practical impact of the various legislative mandates that have been engineered by specific, numerically small constituencies (such as P.L. 97- 140) has been that it is increasingly difficult to implement a uniform shoreline management policy throughout the Corps system. It can be anticipated that land management policy will become increasingly fragmented and more project specific should private development be carried to the degree specified in a number of the "straw man" proposals evaluated by this task force.

LAW, POLICY OR REGULATIONS:

HANDICAPPED REGULATIONS

CONSTRAINTS:

1. Guidelines in Section 1-9 of EM 1110-1-400, 31 July 1987 address the design of facilities for the physically handicapped visitor. All design shall provide for equal access to and utilization of facilities by all visitors. Standards for the design of handicapped facilities are presented in Uniform Federal Accessibility Standards (49 FR 31528). The standards are to be applied during the design, construction, and alteration of buildings and facilities. There are certain, situations, however, where the provisions need not be provided:

a. Certain overlooks such as observation towers or decks that are only accessible by steep trails or a series of stairways.

b. All comfort stations within a common recreational site need not be accessible. If site conditions exist that would make it cost prohibitive, provide at least one accessible station in the most convenient location within the area.

c. All boat ramps and courtesy docks need not be accessible if prohibitive by site conditions. If multiple ramps and docks are to be provided within a recreational area, at least one should be accessible.

d. Not all camp sites within a campground need be accessible, provided an appropriate number of accessible sites are included.

e. All primitive camping areas need not be accessible.

f. All hiking, walking, and nature trails need not be accessible.

2. Non-Federal interests must use the design criteria contained within EM 1110-2-400 unless where local standards are more stringent than Corps standards.

3. The impact of design standards for the handicapped would appear to be neutral regarding the subject proposal because they apply equally to all recreation facilities constructed upon fee owned property of the United States administered by the Corps of Engineers.

LAW, POLICY, OR REGULATION:

Davis-Bacon Act applicability

CONSTRAINTS:

The recent cases involving military leases appear to be eroding the concept that the Act does not apply to out-leases. This issue is under review by the Corps and the Army.

LAW, POLICY OR REGULATION:

Forest Service challenge grants: can we do this under current authority?

CONSTRAINTS:

The Forest Service receives these grants under special authority contained in the 1989 Appropriation Bill which states that notwithstanding the provisions of the Federal Grant and Cooperative Agreements Act of 1977 (31 U.S.C. 6301-6308) the Forest Service could enter into cooperative arrangements for recreation and fish and wildlife programs. This continued for recreation a long standing authorization of receiving money for cooperative work in forest investigation, protection and improvement under 16 U.S.C. 498 (38 Stat. 430 (1914)).

The Corps has no such authority to receive money.

DISCUSSION:

Legislation is required to expand our authority to include not only personal volunteer services, but also money, personal property, or facilities.

A similar authority would greatly expand our recreational potential interested.

LAW, POLICY OR REGULATION:

Historic Preservation laws:

Antiquities Act of 1906/Archeological Resources Protection Act of 1979

Historic Sites Act of 1935

Reservoir Salvage Act of 1960/Archeological and Historic Preservation Act of 1974

National Historic Preservation Act of 1966, as amended, PL 89-665 (16 U.S.C. 470)

CONSTRAINTS/DISCUSSION:

The Antiquities Act of 1906/Archeological Resources Protection Act of 1979 provides civil and criminal penalties for the unauthorized disturbance or destruction of archeological and historic resources on Federal and Tribal lands and provides the Federal and Tribal land manager with the authority to withhold site location or other information from the general public if the land manager believes the release of such information would result in damage or destruction of a resource.

The Historic Sites Act of 1935 declares a national policy to preserve for public use historic sites, buildings and objects of national significance for the inspiration and benefit of the people.

The Reservoir Salvage Act of 1960/Archeological and Historic Preservation Act of 1974 is not a restriction of recreation.

The National Historic Preservation Act of 1966 declares the heads of all Federal agencies shall assume responsibility for the preservation of historic properties and that prior to acquiring, constructing, or leasing buildings for purposes of carrying out agency responsibilities, each Federal agency shall use, to the maximum extent possible, historic properties. Structures with historic significance are to be adapted for re-use as staff residences, visitor centers, working farms or historic re-enactments.

The National Historic Preservation Act of 1966, as amended, constrains the sale or lease of lands and facilities to non-Federal interests. The head of any Federal agency having jurisdiction over a proposed Federal or federally assisted undertaking shall prior to the expenditure of any Federal funds or prior to the issuance of any license take into account the effect of the undertaking on the property that is included or eligible

for inclusion in the National Register. Each Federal agency is also required to locate, inventory, and nominate all properties that appear to qualify for inclusion in the National Register and shall assure that any such property is not inadvertently transferred, sold, demolished, substantially altered, or allowed to deteriorate significantly. Since Army has not completed these inventories due to budget constraints, actions are cleared on a case-by-case basis.

LAW, POLICY OR REGULATION:

National Environmental Policy Act (NEPA), PL 91-190, as amended. CEQ Regulations, 40 CFR 1500-1508.

ER 200-2-2

CONSTRAINTS:

Proposals which may significantly affect the quality of the human environment must comply with NEPA and the regulations.

RESOLUTION OF CONSTRAINTS:

Prepare NEPA documentation if change and impacts are not covered by existing environmental documentation for the project. Impacts must be assessed. As a minimum, an environmental assessment (EA) and finding of no significant impact (FONSI) are required. An EIS or supplemental EIS may be required.

LAW, POLICY OR REGULATION:

Fish and Wildlife Coordination Act of 1958 (16 U.S.C. 661-666c) (FWCA)

Endangered Species Act (16 U.S.C. 470 et seq) (ESA)

Sykes Act (not applicable to Civil projects)

CONSTRAINTS:

Section 662(d) of FWCA provides that project cost attributable to development and improvement of wildlife shall not include the operation of wildlife facilities. This covers enhancement facilities, but not mitigation facilities. Section 663(c) FWCA provides that properties for development of fish and wildlife must be specifically authorized by Congress. Section 663(d) FWCA provides for use of project lands and waters by State wildlife agencies or the Secretary of Interior to manage wildlife and wildlife habitat. Many project areas are so licensed and used for this purpose which permits an increase of the fish and wildlife base for recreational purposes. Section 663(d) FWCA provides that lands acquired for fish and wildlife conservation and development shall continue to be used for such purposes.

Proposed actions which would impact on Federal endangered species should comply with the ESA.

LAW, POLICY AND REGULATION:

CERCLA/SARA

Wild and Scenic Rivers designation

CONSTRAINTS:

These laws are not expected to restrain recreational purposes for civil works projects since there are few, if any, such projects where they apply.

U.S. ARMY CORPS OF ENGINEERS RECREATION STUDY

VOLUME II: APPENDIX D

**Information Collection Task Force #3
Revenue and Resource Augmentation**

**U.S. Army Corps of Engineers Recreation Study
Review of Resource Augmentation Programs**

Executive Summary

Task Force 3 considered a variety of resource augmentation proposals and developed a thorough list of options for the Recreation Study Team to review. The options were categorized in four groups:

- a. Revenues;
- b. Recreation Enhancements;
- c. Alternative Management Techniques; and
- d. Marketing.

An assessment of the potential monetary impact of each option was provided as a range -- low (less than \$1 million) to high (greater than \$5 million).

Three key factors or assumptions were made by the Task Force and are important for the Study Team to consider as they review the report. First, all revenues (new proposals or current sources) need to be directed back to the Corps after their collection. Second, an assessment of the social and environmental impacts of some options may have to be made prior to their implementation. This may either delay or substantially affect the cost of the option. Last, while many of the options serve to improve the visitor's experience or enhance an on-site manager's capabilities, a few options run counter to established philosophy and methods of operation. These need to be weighed carefully in order to assess their net effect on the future of the Corps recreation mission.

Thirty-five options are listed in the "Revenues" section, with the majority being classified as user fees. The Task Force felt strongly that specialized facility fees (similar to the Corps proposed user fee legislation which narrowly missed enactment last year) and increasing outgrant rental and fees provide the best potential for high returns. They also conform to the user pay philosophy.

Fifteen options comprise the "Recreation Enhancements" section, which offer expanded recreation opportunities with no, or minimal, impact on the Corps Oding requirements. Challenge grants, donations, and modifications to cost sharing and concessionaire policies are viable considerations with good opportunities for success.

The "Alternative Management Techniques" section lists 23 options that allow prudent diversion of existing Corps resources to other high priority uses or tasks.

Five "Marketing" strategies recommend longer term solutions which complement the Recreation Study objectives.

**U.S. Army Corps of Engineers Recreation Study
Review of Resource Augmentation Programs**

Task Force Members:

Mike Enschede, Chairman, Natural Resources Management, Fort Worth District
Joseph Bittner, Programs Division, Headquarters
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Dale Gronewold, Harry S. Truman Project, Kansas City District
Dave Hewitt, Public Affairs, Headquarters
Dick Higgins, Natural Resources Management, Wilmington District
Bill Irwin, Natural Resources Management, New England Division
Lanny Pricer, Real Estate, Tulsa District

Purpose: The task force was convened to identify potential opportunities for (1) expanding revenue generation and for (2) otherwise augmenting the Corps recreation program. The group listed its own potential resource augmentation options, studied Task Force #1 strawman proposals, and from those two lists, selected the options to be presented in this task force report.

Definitions: The options presented in this report are divided into the following categories:

1. **Revenues:** Sources of additional revenue.
2. **Recreation Enhancements:** Options that expand recreation opportunities without full Corps funding. Revenue may be generated.
3. **Alternative Management Techniques:** Options which would reduce costs without deferring maintenance, allowing for more efficient use of existing funds.
4. **Marketing:** Strategies to (1) promote Corps recreation areas as sound investments to potential sponsors and (2) increase use of existing areas to both generate additional revenue and make areas more marketable to sponsors.

Return of Revenues: The task force developed these options on the assumption that, upon implementation, all revenue generated would be returned directly to the Corps (similar to the Special Recreation User Fee program). Similarly, income currently generated should be retained by the agency, such as lease, license, easement and permit revenue. In many cases, legislation will be required to return these funds from their current recipient to the Corps.

Impacts of Implementation: Implementation of many of the options may result in substantial changes in operating procedures and may require preparation of an Environmental Impact Statement or Environmental Assessment. Depending upon the scope of the change, these documents may have a significant impact on the cost of implementation of the options and may delay realization of savings, enhancements, or revenues.

Monetary/Resource Impacts: Estimated potential resource augmentation impacts are provided under the benefits column for each option. Taking into consideration the yearly outlay of approximately \$160 million dollars for recreation, the following criteria was used for estimating the yearly impact implementation of the particular option would have on the Corps resources.

Low: Less than \$1 million.

Moderate: Between \$1 million and \$5 million.

High: More than \$5 million.

Quality of the Experience: Many of the options discussed here maintain or enhance the quality of the experience and the environment. However, a few may impact adversely on commonly accepted aesthetic, environmental and social values. Maintaining these values has long been considered an inherent function of Government and this precept has guided our management philosophy for many years. For the purposes of this report however, we make no judgements concerning the relative merits of these impacts.

Index of Revenues Options	Index of Alternative Mgt Technique Options	Index of Recreation Enhancement Options
<p>1. User Fees:</p> <ul style="list-style-type: none"> (a) Specialized Facility Fees (b) Charge for Day-Camping (c) Change Discount on Golden Age and Golden Access Permits (d) Sell Golden Age and Golden Access Permits (e) Campground Guest Fees (f) Corps Reservation System (g) Eliminate Free Camp Area Requirements (h) Campground Stay Restrictions (i) Expand Use of Variable Rate Fees (j) Equipment Rental (k) Water Surface Area Reservations (l) Meeting Room and Visitor Center Rental (m) Charge for Corps Maintained Trail Use (n) Visitor Center Entrance Fees (o) Consultation and Service Fees (p) Charge for Guaranteed Water Releases for Whitewater Sports <p>2. Outgrants/Permits:</p> <ul style="list-style-type: none"> (a) Increase Outgrant Rent (b) Charge Appropriate Rent/Administration Fee (c) Increase Permit Fees (d) Off-Peak Park Rental (e) Hunting Area Leases or Lotteries <p>3. Sales:</p> <ul style="list-style-type: none"> (a). Revenues from the Sale of Renewable and Non-Renewable Resources (b) Vending Machines (c) Recycling Programs (d) Sale and Donations of Artifacts (e) Sale of Abandoned, Surplus & Impounded Items. (f) Project Related Information and Merchandise <p>4. Advertising on Project Brochures.</p> <p>5. Upgrade Existing Parks for Upscale Use</p> <p>6. Improved Open Areas</p> <p>7. Community Dock Space</p> <p>8. Concession/Vendor Permits</p> <p>9. Bottle and Can Deposits</p> <p>10. Hydropower/Water Supply/Storage Charges</p> <p>11. Recreation Craft Locking Fees</p>	<ul style="list-style-type: none"> 1. Reward Efficiency 2. Power-Down Management 3. Volunteers <ul style="list-style-type: none"> (a) Student Conservation Association (SCA) (b) Volunteer Campground Hosts and Maintenance Hosts (c) Expand Use of Volunteers and College and University Interns (d) Adopt-A-Shoreline/Park/Trail 4. Senior Conservation Corps 5. Jobs Bill 6. Contract Reviews 7. Mowing Contract Review 8. Quarters for Hostels 9. Complete or Update Project Environmental Impact Statements 10. Designs <ul style="list-style-type: none"> (a) Design Standards (b) Operations Review of Designs 11. Consolidation of Facilities, Parks and Projects 12. Redefine District Boundaries 13. Operate Parks for Peak Use 14. Agency Exchanges 15. Analyze Market Trends 16. Automate Collection of All Fees 17. Expand Credit Card Use 18. Increase Military Involvement 19. Expand Model District Program 	<ul style="list-style-type: none"> 1. Challenge Grants 2. Donations 3. Gift Catalog 4. Cost Sharing <ul style="list-style-type: none"> (a) Infrastructure Development (b) Non-Traditional Facilities (c) Modified Cost Sharing (d) Rescind Requirement for ASA (CW) Approval for Cost-Sharing Agreements Under \$25,000. 5. American Heritage Trust Fund 6. Concessionaires <ul style="list-style-type: none"> (a) Defer or Abate Concessionaire Rent (b) Low Interest Loans (c) Tax Incentives (d) Limit Concessionaire Liability (e) Relax Limitations on Concessioner Provided Facilities 7. Longterm Leases for Residential Development 8. Cooperating Associations <p style="text-align: center;">Index of Marketing Options</p> <ul style="list-style-type: none"> 1. Develop Comprehensive Marketing Strategy and Project Prospectus. 2. Advertise Recreation Areas: 3. Coordinate with State Tourism Officials and Encourage Involvement in Local Chamber of Commerce Organizations. 4. Offer Prime Locations for Partnership Development. 5. Regional/National Coordination

Revenues

<u>Options</u>	<u>Benefits</u>	<u>Constraints</u>
1. User Fees: Options for receiving or increasing compensation from visitors for facilities, areas and/or services used:		
(a) Specialized Facility Fees: Charge fees for use of developed recreation facilities (i.e., ramps, beaches, picnic areas). This is not an entrance fee, per se, to be collected at all recreation areas or access sites.	<ul style="list-style-type: none"> * Fees for facility use would maximize revenue potential of existing areas. * Users would take on more of the financial responsibility for facilities used. * Fees give managers an additional tool for controlling use of parks. <p>Impact: High.</p>	<ul style="list-style-type: none"> * Congressional opposition to expanding the fee program. * Public objection to new fees. * Corps liability increases in states with "Good Samaritan Law" protection for no cost recreation.
(b) Charge for Day-Camping: When developed sites are available in controlled area, rent sites for "day camping".	<ul style="list-style-type: none"> * Day use visitors are offered the privacy of a regulated site. * Revenue is gained from campsites that otherwise would be empty. <p>Impact: High.</p>	<ul style="list-style-type: none"> * Existing law allows charges for "developed sites". Day-camping may only be an extension of existing law.
(c) Change Discount on Golden Age and Golden Access Permits: Lower 50% discount to a more reasonable 10% or 20% discount.	<ul style="list-style-type: none"> * Discount comparable to those offered in the private sector would increase revenues significantly. <p>Impact: Moderate.</p>	<ul style="list-style-type: none"> * Coordination and concurrence with other agencies would be required and Land and Water Conservation Fund Act would have to be amended. * Public outcry would be expected, especially from senior citizens and AARP.
(d) Sell Golden Age and Golden Access Permits: The Corps issues approximately 35,000 of these permits each year.	<ul style="list-style-type: none"> * Costs for running the program are passed on to the user. * Either annual or one-time purchase would increase revenues. <p>Impact: Low.</p>	<p>Same as (c) above.</p>

Options	Benefits	Constraints
(e) Campground Guest Fees: Nationwide implementation of fee policy for guests visiting campground users.	<ul style="list-style-type: none"> * Recoup costs associated with use of campgrounds by guests. * Better security and control of the campground. <p>Impact: Moderate.</p>	<ul style="list-style-type: none"> * No significant constraints.
(f) Corps Reservation System: Contract for the implementation of a campground reservation system with outlets at campgrounds and other locations. Standard procedures would be implemented for districts who opt to use a reservation system so that systems are compatible.	<ul style="list-style-type: none"> * Increased use/revenues could be expected and premium fee could be charged to include reservation system contract costs. * User satisfaction increased by being assured of a site in advance. * Campground promotion efforts could be pooled for increased exposure. * Data would be easily retrievable (visitation, revenue, user types, zip codes, equipment, etc.). <p>Impact: Moderate.</p>	<ul style="list-style-type: none"> * Set-up costs. * User acceptance of increased costs and conflicts with first-come/first-serve visitors. * Costs for promoting Corps campgrounds.
(g) Eliminate Free Camp Area Requirements	<ul style="list-style-type: none"> * Some of the O&M costs, now absorbed completely, can be recouped. * Primitive camping areas could be upgraded to increase revenue. <p>Impact: Moderate.</p>	<ul style="list-style-type: none"> * A change in legislation would be required. * Initial capital outlay to upgrade primitive campgrounds to maximize collections may be needed.
(h) Campground Stay Restrictions: Liberalize campground stay restrictions, while retaining ability to control camper use.	<ul style="list-style-type: none"> * Attract visitors who otherwise would go to private areas with no restrictions. * Increase revenue from long term use of sites. <p>Impact: Low.</p>	<ul style="list-style-type: none"> * Increased site impact. * Requires change in Title 36. * Could encourage non-recreation use of campgrounds, especially in high-cost areas.

<u>Options</u>	<u>Benefits</u>	<u>Constraints</u>
<p>(i) Expand Use of Variable Rate Fees: (1) Charge more for preferred campsites, popular parks and busy times. (2) Offer discounts to long-term users, groups or corporate sponsors. (3) Offer free or discounted camping and preferred sites to individuals who sponsor maintenance of a camp area.</p>	<ul style="list-style-type: none"> * Takes advantage of demand to generate more revenue. * Fee rates can be used to help manage carrying capacity and site impact. * Encourages more balanced use of projects, parks and facilities. <p>Impact: Moderate.</p>	<ul style="list-style-type: none"> * Public may not accept higher fees. * Variable rates complicate fee collection and may not be understood by the general public.
<p>(j) Equipment Rental: Rent equipment to visitors (i.e., trailers, tents, volleyball equipment).</p>	<ul style="list-style-type: none"> * Visitors lacking equipment would be attracted to parks. * Mechanism for collecting fees and storing equipment is already in place. * Provide service that may not be economical for the private sector to provide. <p>Impact: Low.</p>	<ul style="list-style-type: none"> * Small outlays for initial equipment purchase and for upkeep. * Renting equipment complicates property accountability. * Liability may be increased.
<p>(k) Water Surface Area Reservations: Allow exclusive use of all or a portion of water surface for a specific period of time for a fee.</p>	<ul style="list-style-type: none"> * Water surface of our projects is a valuable commodity, particularly in urban areas. This would take advantage of this high demand resource. * Special events would give Corps lakes regional and national exposure and would increase lake use by attracting specialized groups. * Events would boost local economy. <p>Impact: Low.</p>	<ul style="list-style-type: none"> * User conflicts between general public and those reserving the area. * Costs for control and administration of events. * Possible capital improvement costs for shoreline support facilities. * Policy change for allowable uses and/or 16 USC 460d.
<p>(l) Meeting Room and Visitor Center Rental: Rent out meeting rooms, auditoriums, visitor centers, etc. for community group use.</p>	<ul style="list-style-type: none"> * Makes maximum use of facilities (weekends and evenings). * Involvement with the local community enhances Corps image. <p>Impact: Low.</p>	<ul style="list-style-type: none"> * Maintenance, administration and security responsibilities increase (but would be paid by rent). * Requires policy guidance.

<u>Options</u>	<u>Benefits</u>	<u>Constraints</u>
(m) Charge for Corps Maintained Trail Use: Require permits for ORV's, snowmobiles, horseback riding, etc.	* Managers have more control over trail use. Impact: Low.	* Responsibilities for maintaining trails to meet specialized uses increase along with liability. * Management is complicated by fee collection and enforcement of permit requirements.
(n) Visitor Center Entrance Fees: Charge fees for visits to major visitor centers.	* Revenue would help to offset upkeep and new exhibits. Impact: Low.	* Requires legislation. * Some visitors would be discouraged from visiting, resulting in less interpretation.
(o) Consultation and Service Fees: Charge fees for expertise and services (i.e., removing boats by crane, designing campgrounds, trip itinerary planning, adjacent landowner forestry advice and services).	* Increases Corps visibility and community involvement while providing money for O&M. * Improves design of concessionaire facilities. * Improve local area forestry and wildlife conditions. Impact: Low.	* Policy and mechanism for charging and accepting fees would need to be established. * Increased liability potential.
(p) Charge for Guaranteed Water Releases for Whitewater Sports.	* Recoup expenses now absorbed. Impact: Low.	* Legislation may be required. * Costs may be prohibitive to nonprofit organizations such as the Appalachian Mountain Club, and would result in political repercussions.
2. Outgrants/Permits:		
(a) Increase Outgrant Rent: Charge all outgrants fair market rent regardless of nonprofit status (except government agencies).	* The Corps would receive increased revenues for private use of public land and water. Impact: High.	* Political repercussions of redirecting revenue from counties and from the Treasury. * Prohibited by 33 USC 701 C-3.
(b) Charge Appropriate Rent or Administration Fee: Include in fees a base cost for processing outgrants.	* Corps would be able to obtain revenues commensurate with work required. Impact: Moderate.	* Policy changes would be needed to increase fees for leases and outgrants. * Political pressure to keep fees low may be expected.

Options	Benefits	Constraints
(c) Increase Permit Fees: Charge for all permits issued and/or allow corporate sponsorship of special events.	<ul style="list-style-type: none"> * Increase revenues commensurate with land base utilized and administration required. <p>Impact: Moderate.</p>	<ul style="list-style-type: none"> * Political repercussions of redirecting revenue from counties and from the Treasury. * Policy changes would be needed to increase fees for leases and outgrants. * Political pressure to keep fees low may be expected.
(d) Off-Peak Park Rental: Make park facilities available to private organizations, such as Outward Bound, on weekdays and other times of low visitation.	<ul style="list-style-type: none"> * Benefit local economy. * More balanced use of park facilities. * Attract visitors who otherwise would not come to the area. <p>Impact: Low.</p>	<ul style="list-style-type: none"> * May be possible under current law.
(e) Hunting Area Leases or Lotteries: Lease specific areas for hunting for week/month/season.	<ul style="list-style-type: none"> * Help control hunting pressure and alleviate safety concerns in heavily used areas. <p>Impact: Low.</p>	<ul style="list-style-type: none"> * Change in policy. * Adverse user reaction.
3. Sales: Compensation from the sale of government owned resources or products.		
(a) Revenues from the Sale of Renewable and Non-Renewable Resources: Direct all revenues from these sales back to the project.	<ul style="list-style-type: none"> * Revenue that is currently directed outside of the Corps could go towards O&M. <p>Impact: High.</p>	<ul style="list-style-type: none"> * Legislation required to redirect revenue.
(b) Vending Machines: Provide vending machines in parks, directly or by way of concessionaires.	<ul style="list-style-type: none"> * Increases visitor conveniences by providing washers, dryers, food and drink in the parks. <p>Impact: Low.</p>	<ul style="list-style-type: none"> * Vandalism. * Accountability for small amounts of money and administration time and costs.
(c) Recycling Programs: Establish procedures for recycling bottles, cans and scrap metal.	<ul style="list-style-type: none"> * Actions demonstrate Corps concern for the environment. <p>Impact: Low.</p>	<ul style="list-style-type: none"> * Minimal handling and administration costs. * Property disposal regulations. * Some negative reaction from people currently supplementing their income this way.

<u>Options</u>	<u>Benefits</u>	<u>Constraints</u>
(d) Sale and Donations of Artifacts: After cultural resource studies are completed, allow for the donation or sale of artifacts that are not especially significant.	<ul style="list-style-type: none"> * Reduce or eliminate curation costs. * Support cooperating associations by providing items for sale. * Support local historical societies by providing artifacts for exhibits. * Increase public education and awareness of cultural and historical aspects of the areas. <p>Impact: Low.</p>	<ul style="list-style-type: none"> * Legislation and coordination with other agencies required. * Political and ethical concerns, especially involving Native American artifacts. * Very sensitive, although regionally lucrative, issue.
(e) Sale of Abandoned, Surplus and Impounded Items.	<ul style="list-style-type: none"> * Revenue recovered could be redirected from the General Treasury to go towards O&M. <p>Impact: Low.</p>	<ul style="list-style-type: none"> * Requires legislation and changes in GSA regulations.
(f) Project Related Information and Merchandise: Encourage the sale of brochures, maps and merchandise.	<ul style="list-style-type: none"> * Recoup production and printing costs of publications. * Reduces waste incurred when uninterested parties take publications only because items are free. * Supports cooperating associations. <p>Impact: Low.</p>	<ul style="list-style-type: none"> * Increases administrative responsibilities including accounting for cash and managing inventories. * Requirements to go through Government Printing Office for some publications increases cost and takes too much time.
4. Advertising on Project Brochures.	<ul style="list-style-type: none"> * Reflect appeal of the project to readers. * Recoup costs of publication. * Enhance marketing potential. <p>Impact: Low.</p>	<ul style="list-style-type: none"> * Possible policy conflict.

<u>Options</u>	<u>Benefits</u>	<u>Constraints</u>
<p>5. Upgrade Existing Parks for Upscale Use: Provide additional facilities, campsites, hookups and build cabins.</p>	<ul style="list-style-type: none"> * Prudent capital investments would enhance revenue potential. * Premium fees could be charged for overnight facilities. * Upscale facilities capitalize on the growing population of older Americans. * Improved sites and cabins would attract population that now goes elsewhere. <p>Impact: Moderate.</p>	<ul style="list-style-type: none"> * Initial capital outlays. * Change in policy to allow for cabin construction.
<p>6. Improved Open Areas: Make improvements and add facilities to accommodate outdoor concerts and gatherings. Encourage commercially sponsored events.</p>	<ul style="list-style-type: none"> * Economic and cultural benefits to local communities. * The Corps gains increased exposure from events and the activities draw people that otherwise may not visit. * Involvement with the local community enhances Corps image. <p>Impact: Low.</p>	<ul style="list-style-type: none"> * Maintenance, security and administrative responsibilities increase. * Initial capital outlay may be needed for site improvements and support facilities.
<p>7. Community Dock Space: Increase the availability of community dock space at desired locations outside of marinas and make available through concessionaire agreements.</p>	<ul style="list-style-type: none"> * Consolidates dock use while helping to meet public demand. * Corps deals with one concessionaire, rather than a large group of individuals. <p>Impact: Low.</p>	<ul style="list-style-type: none"> * Requires change in policy.
<p>8. Concession/Vendor Permits: (a) Charge vendors for permits allowing them to sell firewood, ice, food, bait, etc. (minor concessions). (b) Expand recreation concession activities such as sailing schools, horseback riding, cross-country skiing, scuba training, etc.</p>	<ul style="list-style-type: none"> * Allowing vendors in parks would benefit small businesses and local economies. * Visitors provided goods/services not currently available. <p>Impact: Low.</p>	<ul style="list-style-type: none"> * Time and costs will be incurred to administer program. * Change in policy required i.e., no feasibility study should be required. * Corps liability may increase.

Options	Benefits	Constraints
<p>9. Bottle and Can Deposits: Include requirements for can and bottle deposit collection in concessionaire contracts.</p>	<ul style="list-style-type: none"> * Reduces litter. * Actions demonstrate Corps concern for the environment. <p>Impact: Low.</p>	<ul style="list-style-type: none"> * There is a strong lobby against charging deposits on cans and bottles.
<p>10. Hydropower/Water Supply/Storage Charges: Charge hydropower, water supply and storage partners an increased share of O&M. Charge more for hydro-generation during recreation season.</p>	<ul style="list-style-type: none"> * Costs of associated uses affected by water levels (i.e. recreation) offset by beneficiaries of project purposes. <p>Impact: High.</p>	<ul style="list-style-type: none"> * Renegotiate existing contracts.
<p>11. Recreation Craft Locking Fees: Charge pleasure boats for passing through Corps locks.</p> <p><i>This item is not generally considered a part of the Corps traditional NRM program. These fees may be more appropriately addressed as part of the Inland Waterways Trust Fund.</i></p>	<ul style="list-style-type: none"> * <i>Appropriate charge for services rendered helps to recoup operating costs.</i> * <i>Reduces frivolous traffic.</i> <p>Impact: High.</p>	<ul style="list-style-type: none"> * <i>Public resistance.</i> * <i>Physical difficulties/costs of fee collection.</i> * <i>Legislation may be required.</i> * <i>Liability increases.</i>

Recreation Enhancements

Options	Benefits	Constraints
1. Challenge Grants: Initiate a program where non-Federal and corporate sponsors compete for government grants to provide facilities, services, programs, etc. In return for the grant, the selected sponsor is widely recognized for their contribution.	<ul style="list-style-type: none"> * More facilities are made available to the public at a greatly reduced price to the government (from 1 to 3 times Corps investment). * The Corps gains more sources for income. Impact: Low-Moderate.	<ul style="list-style-type: none"> * Congressional approval may be required. * Requires money to fund the government portion of the program.
2. Donations: (a) Solicit and accept donations for facility enhancement, (i.e., solar heating for a restroom). (b) Establish non-profit project foundations to accept wills, contributions, etc.	<ul style="list-style-type: none"> * Could provide resources to improve or provide more facilities. * Public relations and tax write-off incentives for sponsors. Impact: Low.	<ul style="list-style-type: none"> * Requires change in policy to allow increased levels of soliciting and accepting donations. * Field approval limits for donations are too low.
3. Gift Catalog: Establish an agency/regional/project list of capital improvements, equipment or services that outside sponsors could provide. Sponsors are recognized for their contributions.	<ul style="list-style-type: none"> * Additional facilities and future revenue sources are received at little initial cost to the government. * Program would encourage community participation in project activities. Impact: Low.	<ul style="list-style-type: none"> * Requires change in policy to allow increased levels of soliciting and accepting donations. * Field approval limits for donations are too low.
4. Cost Sharing:		
(a) Infrastructure Development: As incentive to partners (including the private sector), provide infrastructure improvements (i.e., electricity, roads, water, etc.).	<ul style="list-style-type: none"> * Areas more attractive to potential partners. * More facilities would be made available to the public. Impact: Low.	<ul style="list-style-type: none"> * Requires policy changes. * Initial Corps outlays increase significantly.
(b) Non-Traditional Facilities: Sharing the costs for constructing golf courses, tennis courts, swimming pools and other recreation facilities not normally cost-shared at Corps projects.	<ul style="list-style-type: none"> * Greater variety of facilities are made available to the public, attracting different sectors of the population to Corps projects. * Opportunity to increase partner's yield on investment making Corps areas more attractive for investors. Impact: Low.	<ul style="list-style-type: none"> * Would require changes in policies and philosophies towards construction of non-traditional recreation facilities.

<u>Options</u>	<u>Benefits</u>	<u>Constraints</u>
(c) Modified Cost Sharing: Federal sharing of construction, some level of O&M costs and replacement/rehabilitation of facilities.	<ul style="list-style-type: none"> * More recreation opportunities are provided to the public. * Cost-sharing becomes more attractive to potential partners. <p>Impact: Low.</p>	<ul style="list-style-type: none"> * Requires changes in policy. * Outyear costs to Corps for some predetermined level of O&M.
(d) Rescind Requirement for ASA (CW) Approval for Cost-Sharing Agreements Under \$25,000.	<ul style="list-style-type: none"> * More recreation opportunities are provided to the public. * Streamline cost-sharing agreement process. <p>Impact: Low.</p>	<ul style="list-style-type: none"> * Requires change in policy.
5. American Heritage Trust Fund: Expand fund to include the Corps of Engineers and promote its enactment.	<ul style="list-style-type: none"> * Would provide alternative source of funding to renovate facilities. <p>Impact: Moderate to High.</p>	<ul style="list-style-type: none"> * Legislative changes required. * Requires concurrence of Departments of Interior and Agriculture.
6. Concessionaires:		
(a) Defer or Abate Concessionaire Rent: Allow a financial break or delay in payment to attract partners.	<ul style="list-style-type: none"> * Concessionaire funding in early stages of development could be concentrated towards facilities. * Areas would be more attractive to investors. <p>Impact: Low.</p>	<ul style="list-style-type: none"> * Abatement requires changes in 16 USC4601 and lease policies. * Requires redirecting state and local revenues.
(b) Low Interest Loans: Make funds available for low interest loans for recreation development at Corps projects (possibly through the Small Business Administration).	<ul style="list-style-type: none"> * Encourages small businesses and helps local communities. * Provide "seed money" incentive for development. <p>Impact: Low.</p>	<ul style="list-style-type: none"> * Legislation required. * Agreement with Small Business Administration required.

Options	Benefits	Constraints
(c) Tax Incentives: Provide tax deduction for providing recreation facilities at Corps projects.	<ul style="list-style-type: none"> * Gives private sector incentive to develop at Corps projects. * Public is provided with more recreation opportunities. Impact: Moderate.	<ul style="list-style-type: none"> * Requires changes in tax code.
(d) Limit Concessionaire Liability: Encourage the passage of a law that limits the liability of concessionaires providing recreation opportunities/facilities at Corps projects.	<ul style="list-style-type: none"> * Lower insurance costs and limited liability would encourage private investment at Corps sites. Impact: Low.	<ul style="list-style-type: none"> * Legislation required.
(e) Relax Limitations on Concessioner Provided Facilities: Allow non-water oriented facilities to be developed on project lands.	<ul style="list-style-type: none"> * Public provided wider range of activities and diversions. * Concessionaire allowed larger income base. * Increased marketability of area to travelers. Impact: Low.	<ul style="list-style-type: none"> * Change in policy.
7. Longterm Leases for Residential Development: (a) Condominium or apartment development in areas significantly above flood pool when developer required to provide additional recreation development or assumption of O&M of existing facilities. (b) Develop a "rent-to-own" plan commensurate with successfully providing recreation facilities for set time period.	<ul style="list-style-type: none"> * The Corps would be relieved of O&M costs of certain facilities, or additional facilities could be made available to the public. Impact: Moderate.	<ul style="list-style-type: none"> * Change in private exclusive use policy. * Less land available to the general public for hunting, low density recreation use and future recreation development. * Reduced opportunity to house homeless under McKinney Act. * Adverse public reaction.
8. Cooperating Associations: Encourage the formation of the non-profit associations at projects.	<ul style="list-style-type: none"> * Associations can provide services through selling or distributing project related material. * Associations can support projects and interpretive programs by providing resources and personnel. Impact: Moderate.	<ul style="list-style-type: none"> * Regulation explaining Corps policy towards the associations has not yet been published.



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**Alternative Management
Techniques**
(Management techniques that allow prudent
diversion of existing Corps
resources to other high priority uses/tasks.)



<u>Options</u>	<u>Benefits</u>	<u>Constraints</u>
1. Reward Efficiency: (a) Peer Group Awards: Employees are rewarded by peers for management efficiencies (like Forest Service program). (b) Promote the perception that ending the year below budget is a positive situation that will not jeopardize future budgets. Obligation and expenditure goals encourage full expenditure.	<ul style="list-style-type: none"> * Encourages efficiency. * Improves employee morale. Impact: High.	<ul style="list-style-type: none"> * Requires development of Personnel regulation. * Requires money for rewards. * Requires change in "end-of-year" philosophy.
2. Power-Down Management: Follow Forest Service lead in giving field managers more authority (purchasing, contracting, approving outgrants, conducting compliance and utilization inspections, etc.). (a) Increase materials and supplies purchase authority to \$25,000/job and \$5,000/order and eliminate requisitioning through District. (b) Increase contract ceiling for wage rate requirements (Davis-Bacon). (c) Procure by least expensive method.	<ul style="list-style-type: none"> * Reduces duplication of efforts. * Makes the Corps more responsive to outside requests. * Gives authority to the employees with the most knowledge about the projects. Impact: High.	<ul style="list-style-type: none"> * Change in agency policy (procurement, real estate, etc.). * Additional administrative burden on managers time.
3. Volunteers		
(a) Student Conservation Association (SCA): Develop an agreement with SCA allowing for sole source contracting for Resource Assistance.	<ul style="list-style-type: none"> * Some SCA programs provide supervision, freeing Corps employees from this responsibility. * Participants have a natural resource management background. * SCA assistants can supplement Ranger staff. Impact: Low.	<ul style="list-style-type: none"> * Requires agency cooperative agreement, similar to Fish and Wildlife Service agreement with SCA. * Requires change in present restrictions on the use of volunteers.
(b) Volunteer Campground Hosts and Maintenance Hosts: Cooperate with groups such as "Good Sam" for assistance in locating hosts. As an incentive to attract and keep hosts, provide a lump-sum stipend payment at the successful completion of assignment.	<ul style="list-style-type: none"> * Replaces some service contracts with hosts. * Gives campground increased security. * Supplements manpower. Impact: Low.	<ul style="list-style-type: none"> * Changes in restrictions on volunteer use of equipment, vehicles and handling money needed. * Requires volunteer management training for Corps employees. * Turnover of volunteer employees.

<u>Options</u>	<u>Benefits</u>	<u>Constraints</u>
(c) Expand Use of Volunteers and College and University Interns.	<ul style="list-style-type: none"> * While not a source of steady or guaranteed services, can provide non-critical enhancements. * Reduce maintenance backlog and assist in renovation of facilities. <p>Impact: Low.</p>	<ul style="list-style-type: none"> * Volunteer management training required for Corps employees. * Previously mentioned restrictions on volunteers should be lifted. * Not a source of steady or guaranteed service.
(d) Adopt-A-Shoreline/Park/Trail.	<ul style="list-style-type: none"> * Encourages community involvement and educates the public. * Promotes environmental awareness. <p>Impact: Low.</p>	<ul style="list-style-type: none"> * No significant constraints.
4. Senior Conservation Corps: Initiate program similar to state Green Thumb programs.	<ul style="list-style-type: none"> * Inexpensive source of skilled and experienced workers. * Could replace some expensive service contract. * Self-supervised work force. <p>Impact: Moderate.</p>	<ul style="list-style-type: none"> * Legislation required.
5. Jobs Bill: Army Civil Works Legislative proposal similar to 1983 Act which provided jobs, stimulated local economies and reduced Corps O&M maintenance backlog.	<ul style="list-style-type: none"> * Local economy is stimulated.. * Facilities could be renovated, reducing deferred maintenance backlog. <p>Impact: Moderate to High.</p>	<ul style="list-style-type: none"> * Requires legislation and if enacted, would be funded from General Treasury (deficit burden not relieved). * Requires additional responsibilities for Corps oversight and supervision.
6. Contract Reviews: Periodically analyze contracts for cost and benefit.	<ul style="list-style-type: none"> * Reduce costs for expensive contracts when hired labor is less expensive. <p>Impact: Moderate.</p>	<ul style="list-style-type: none"> * Requires policy changes (return to hired labor where contracts prove to cost more).
7. Mowing Contract Review: Eliminate all but essential frequent mowing contracts. Replace frequent mowing with periodic bush hogging and planting of open areas.	<ul style="list-style-type: none"> * Additional land available for forestry & wildlife. * Reduces need for service contracting. <p>Impact: Moderate.</p>	<ul style="list-style-type: none"> * Requires agency guidance.

Options	Benefits	Constraints
8. Quarters for Hostels: Make empty quarters available to American Youth Hostel.	<ul style="list-style-type: none"> * Low cost, short-term recreation housing would be made available to the public. * The Corps would be relieved of building upkeep, maintenance and disposal costs. * Light volunteer service work could be obtained from hostel visitors who are expected to work to subsidize the low rental rates. Impact: Low.	<ul style="list-style-type: none"> * Policy change would be necessary.
9. Complete or Update Project Environmental Impact Statements: Complete EIS's at all projects to set baseline for future requests.	<ul style="list-style-type: none"> * Project EIS completion would streamline cultural and environmental review process. * Reduce expenditures for environmental and cultural reviews. Impact: Low.	<ul style="list-style-type: none"> * Initial high costs. * Requires making EIS a high priority budget item.
10. Designs:		
(a) Design Standards: Develop uniform agency standards for facility design (possibly utilizing design contests in cooperation with colleges and universities).	<ul style="list-style-type: none"> * Facilities will be less costly to maintain. Impact: Moderate.	<ul style="list-style-type: none"> * Regional differences and requirements. * Initial start-up costs.
(b) Operations Review of Designs: Require Operations Divisions to review designs for ease of maintenance and other operating concerns.	<ul style="list-style-type: none"> * Reduces design costs and streamlines building of facilities. * Liability reduced by using designs with established safety records. Impact: Moderate.	<ul style="list-style-type: none"> * Requires emphasis and/or change in policy.
11. Consolidation of Facilities, Parks and Projects	<ul style="list-style-type: none"> * Better control of parks. * Consolidating projects would reduce work duplication. Impact: Moderate.	<ul style="list-style-type: none"> * No significant constraints.

Options	Benefits	Constraints
12. Redefine District Boundaries: (a) Shift or consolidate district responsibilities (possibly along state lines) for efficient management. (b) Consolidate like responsibilities within district offices.	<ul style="list-style-type: none"> * Geographic benefits could be realized in some areas. * Increase uniformity and rapport with state agencies and the public (consistent policies). * Reduce duplication of work in some areas. Impact: Low.	<ul style="list-style-type: none"> * Requires reorganization of responsibilities.
13. Operate Parks for Peak Use: Open parks to coincide with demand.	<ul style="list-style-type: none"> * Service contract savings potential. * Reduces site impact. Impact: Low.	<ul style="list-style-type: none"> * Public dissatisfaction.
14. Agency Exchanges: Exchange parks or real estate when beneficial to both the Corps and the other agency	<ul style="list-style-type: none"> * More efficient management possible in some areas. Impact: Moderate.	<ul style="list-style-type: none"> * Upfront costs and time to coordinate efforts.
15. Analyze Market Trends: Make use of consultants to collect and analyze data.	<ul style="list-style-type: none"> * Make most efficient use of limited resources for facility development. * Potential for increased revenues is realized when new facilities and improvements meet visitor needs. Impact: Moderate.	<ul style="list-style-type: none"> * Requires initial outlays.
16. Automate Collection of All Fees (Including outgrant collections, shoreline management receipts, camping, day-use, etc.).	<ul style="list-style-type: none"> * Reduces accounting time and costs. * Creates a system for retrieving data easily. Impact: Moderate.	<ul style="list-style-type: none"> * Requires upfront funding.
17. Expand Credit Card Use: Use credit cards for all fee collections including outgrants, shoreline management and recreation.	<ul style="list-style-type: none"> * Simplifies accounting and controls. * Funds immediately available to Treasury. Impact: Low.	<ul style="list-style-type: none"> * Requires policy change. * Percentage of receipts goes to credit card company.

<u>Options</u>	<u>Benefits</u>	<u>Constraints</u>
18. Increase Military Involvement: Use military and reserve units to accomplish specific renovation, construction, etc.	<ul style="list-style-type: none"> * Less costly alternative to contracting. <p>Impact: Moderate.</p>	<ul style="list-style-type: none"> * Requires redirecting of military equipment, funds, and personnel. * Could impact local construction job opportunities. * Requires time for coordination and oversight.
19. Expand Model District Program: Provide the authority to test options that may enhance resources and revenues.	<ul style="list-style-type: none"> * The program would allow for options to be evaluated and improved prior to widespread implementation. Unpractical options could be weeded out. <p>Impact: Moderate.</p>	<ul style="list-style-type: none"> * Personnel and money to implement the options on a trial basis.

Marketing

<u>Options</u>	<u>Benefits</u>	<u>Constraints</u>
1. Develop Comprehensive Marketing Strategy and Project Prospectus. Promote some major Corps projects as "National Lakes".	<ul style="list-style-type: none"> * Encourage private investment and local sponsorship in providing recreation facilities and/or assume O&M of currently operated areas. * Increase revenue from higher visitation. <p>Impact: High.</p>	<ul style="list-style-type: none"> * Requires policy allowing marketing. * Marketing costs. * EIS may be required.
2. Advertise Recreation Areas: Press releases, feature articles, public service announcements, paid advertising and new publications.	<ul style="list-style-type: none"> * Increased revenue from increased visitation. * Would give Corps areas more exposure to potential investors. <p>Impact: High.</p>	<ul style="list-style-type: none"> * Legislation may be required. * Policy changes required.
3. Coordinate with State Tourism Officials and Encourage Involvement in Local Chamber of Commerce Organizations.	<ul style="list-style-type: none"> * Promote Corps projects as assets to local economies. * Enhanced public perception of the Corps. * Increase visitation and attract investors. <p>Impact: Moderate.</p>	<ul style="list-style-type: none"> * Requires reallocation of time and resources.
4. Offer Prime Locations for Partnership Development.	<ul style="list-style-type: none"> * Provides private developers with best opportunity for return on investment. * Saving in overall management costs. <p>Impact: Moderate.</p>	<ul style="list-style-type: none"> * Change in management philosophy.
5. Regional/National Coordination: (a) Coordinate with State, Regional and Local Economic Development Commissions. (b) Pool resources with sister Federal agencies for regional/national recreation development.	<ul style="list-style-type: none"> * Capitalizes on mechanisms already in place for attracting investors and visitors. <p>Impact: Moderate.</p>	<ul style="list-style-type: none"> * Requires reallocation of time and resources.

U.S. ARMY CORPS OF ENGINEERS RECREATION STUDY

VOLUME II: APPENDIX E

**Information Collection Task Force #4
Data Base Needs**

**CORPS OF ENGINEERS RECREATION STUDY
APPENDIX - E
REPORT OF INFORMATION COLLECTION TASK FORCE NO. 4**

REVIEW OF DATA BASE NEEDS

STUDY OBJECTIVE

The Corps of Engineers, at the direction of the Assistant Secretary of the Army for Civil Works, is developing a plan to maintain or enhance public recreational opportunities at Corps projects while reducing Federal costs for development and operation of recreation facilities.

SCOPE

The mission of this Task Force was to identify data required to support analysis of recreation policy options and provide a basis for dialogue with public and private non-federal interests. The task force accomplished this by identifying and evaluating relevant existing data bases, determining information requirements not met by these existing data bases, and providing options for collection and management of required data. The task force recognized that ultimate information requirements and priorities will depend on the future emphasis of the CE recreation program. For instance, if emphasis is placed on increasing revenues at CE managed recreation areas then recreation fee information and data to support marketing of CE recreation areas should be given priority. Therefore, this report discusses existing information sources and anticipated information needs and does not recommend a specific data collection and management options.

APPROACH

The task force was composed of headquarters, division, district, project, and laboratory representatives from the CE functional elements responsible for the administration of the CE recreation program. Members of the Task Force met one time on 19-22 December 1989 in Washington D.C. to identify data needs and prepare a draft of this report. Members of the task force relied on additional staff to provide detailed information on existing data bases. The Task Force mission statement and a listing of task force members are provided as Appendix one and two respectively.

SUMMARY OF FINDINGS

The task force concluded that extensive information exists to support the management of the CE recreation program. Much of the required information resides in the existing Natural Resources Management System (NRMS), and the Real Estate Management Information System (REMIS) presently being developed in step with the Corps' Information System Modernization Program (ISMP) and implemented as specific modules are completed. Three broad areas of information were identified that are not currently maintained in existing systems.

1. **INFORMATION ON RECREATION OPERATION AND MAINTENANCE TASK COSTS.** While Corps of Engineers Management Information System (COEMIS) provides general information on recreation program costs, it is not of sufficient detail to make meaningful management decisions. Cost data for specific tasks at the recreation area level can not be readily obtained through COEMIS therefore an information collection system is required to accurately measure operations costs. This information is crucial in order to assess the "profitability" of revenue generating recreation areas and to identify potential cost savings from improved efficiency, to assess the impact of policy changes in the CE recreation program.

2. **VISITOR USE DATA AT THE RECREATION AREA LEVEL.** The recreation area is the basic management unit of the CE recreation program. Inadequate visitor use data exists at the recreation area level to assess the impacts of policy decisions or identify the potential for new initiatives. This type of information is also required to prepare project master plans, operational management plans, and related documents. In addition, development proposals and management arrangements with non-federal interests are generally specific to individual recreation areas. Currently, we do not have adequate information on recreation use patterns at individual recreation areas to effectively assess the potential for these alternative management arrangements.

3. **INFORMATION ON POTENTIAL VISITORS.** Recreation information collection efforts within the Corps currently focus on the recreation activities of visitors to CE projects. If additional emphasis is placed on increasing revenues at CE managed recreation areas then increased marketing of CE recreation opportunities will be required. Any effective marketing program will need to address the basic question. What initiatives are required to attract additional revenue producing visitors to CE projects while maintaining high quality recreation opportunities? To effectively address this question requires information on the motivations, preferences, and use patterns of recreationists not currently using CE projects.

REVIEW OF EXISTING DATABASES

For the purpose of this report, existing databases were placed into one of three categories: databases which the Natural Resources Management Branch directly manages (through data collection, maintenance of files, report generation, etc.); other Corps of Engineer databases which the branch does not manage directly but has access to, utilizes data from, and/or provides data for; and those databases managed by other federal, state, or local agencies.

DATABASES DIRECTLY MANAGED BY THE NATURAL RESOURCES MANAGEMENT BRANCH

NATURAL RESOURCES MANAGEMENT SYSTEM (NRMS). The NRMS is a database system for the collection and reporting of recreation facility information at Corps projects and recreation facilities. The system is updated annually by each district with input from the field offices. The NRMS master databases are maintained on microcomputers at the Headquarters, USACE. The databases are in dBase III plus, under the MS-DOS operating system. Programs have been written to perform the annual field update, to access NRMS historical data, and to facilitate queries.

The NRMS contains 15 project databases, 6 area databases, and numerous support databases which contain various project statistical information, project visitation, project staff and educational background, project law enforcement data (Title 36 warnings and citations, law enforcement agreements with local cooperators etc.), use-permits and revenues, area information, open and closed facilities within an area, concessionaire-operated areas and facilities, and proposed and current use fee area information.

NRMS databases are easily accessible at division, district, and project offices when loaded on microcomputers and accessed through dBase III Plus. A variety of reports, image lists, and data functions can be performed, making the system very useful and flexible. NRMS data pertaining to facilities and statistical data such as use-fee revenues is generally quite reliable. Data such as recreation use data and personnel data must sometimes be scrutinized due to data gathering procedures and interpretation of data definitions.

AUTOMATED USE PERMIT SYSTEM (AUPS). The AUPS was originally developed by the Waterways Experiment Station at Vicksburg, Mississippi in order to facilitate the gathering of data for the Campground Receipt Study (CRS) at units of the Recreation Research and Demonstration System. At the request of the Nashville District, a reservation program was added and the system has been put into use at many campgrounds throughout the Corps.

The AUPS is used to register campers, issue permits, issue credit vouchers, locate campers, administer the reservation program, and generate the necessary transmittal reports to satisfy Finance and Accounting requirements. Data entered to register campers (length of stay, site number, license tags and state, Golden Passport information, zip code, amount of fees), as well as data captured automatically by the system (date and time of check-in), is stored in data files that can later be accessed for subsequent analysis. An optional survey screen can also be switched on (at system setup) to appear when each camper is registered. This survey records data such as type of camping equipment, first time visit to the project, and whether the area was the primary destination for the camper.

Although AUPS is not yet used Corps-wide, it has gained rapid acceptance (Nashville and Huntington Districts began using AUPS at all district fee campgrounds in 1989). AUPS data is extremely accurate as it is collected at the site and is not subject to interpretation by the park attendant (who normally inputs the information). Useful information about length of stay, campsite utilization, Golden Passport use, camper origin, peak registration times, credit card use, camping party size, special fees, visitors to campers, and much more can be extracted from the databases generated by the system.

RECREATION USE REPORTS. Each district monitors public use at its projects on a monthly basis. Raw axle count data is collected at project public use areas by the use of pneumatic or electronic traffic counters and transmitted to the district office, where it is processed by factoring in load factors, seasonal variances, and distribution of recreation activity. These factors are determined on the basis of recreation use surveys which are periodically performed at the projects. The recreation use data thus generated is expressed in the percent of visitors engaged in NRMS specified activities and visitor hours (the number of hours spent by a visitor recreating on the project).

Recreation use data is readily available at the project and at the district on a monthly basis. The data is reported annually on the NRMS report. Accuracy of recreation use data can vary according to the manner in which recreation use surveys are conducted, maintenance of traffic counter equipment, method of determining dispersed recreation use at the project, and interpretation of recreation use monitoring guidelines.

OUTGRANT DATA. Data on the number and types of outgrants at a project is usually maintained at the project level and in the Task Management module of REMIS. Such information is useful in assessing the pattern of development on the project and in formulating and revising shoreline management plans.

These data are expected to be reliable as it is entered and maintained at the project level; accessibility at the project level by other than project personnel might be a problem because the format in which data are currently maintained varies by project and district.

OTHER CORPS-MANAGED DATABASES

CORPS OF ENGINEERS MANAGEMENT INFORMATION SYSTEM (COEMIS). COEMIS is a data system that provides budget information and tracks expenditures made by the Corps. When an obligation is passed through Finance and Accounting (F&A), it is assigned a three-letter accounting element that describes its purpose (i.e.: labor, materials and supplies, revolving fund, etc.). At that point the expenditure is entered into the COEMIS by cost code as well as by the accounting element.

COEMIS may be accessed by the district and can provide expenditure reports by cost code, indicating the activity for which expenditures were made (it can not identify the recreation areas for which the expenditures were made unless separate subfeatures are set up for each recreation area). Although COEMIS can be accessed at any time, it is generally more useful to retrieve monthly report once end-of-month reports have been batched and entered into the system.

COEMIS data are reliable, however, if data are accessed before end-of-month reports are entered, misleading information on year-to-date figures may be reported. Planned refinements to COEMIS, including "on-line" data entry should negate this problem. Incorrect cost coding of expenditures before entry can also result in incorrect data.

REAL ESTATE MANAGEMENT INFORMATION SYSTEM (REMIS). This system is being developed by Real Estate Division in conjunction with the ISMP and contains historical records and current data on Real Property of the U.S. Government under control of the Corps of Engineers for both military and civil projects. REMIS resides within the relational database management system, ORACLE. The system can be access through a personal computer (PC). Access through the PC can be to a Local Area Network (LAN) at a district or division site and to other CE networks. The REMIS contains six modules as follows; Recording, Acquisition, Management, Disposal, Other Realty Services, and Task Management.

The Management component of REMIS is of particular importance to the CE recreation program because it maintains information on outgrants to other agencies and private interests. Specifically, the module contains data needed in managing the use or possession of land, improvements and other real property interest. The data includes information on the utilization being made of the real property both by the Corps and under outgrants to others, such as state and local governments, nonprofit organizations, and individuals leasing for commercial recreational purposes for development of marinas, boat rentals, cabins, motels, gas, grocery, and bait shops, restaurants etc.

GEOGRAPHIC INFORMATION SYSTEMS (GIS). These systems are being developed independently by districts and provide the ability to overlay many diverse data sets for project areas that can be used in support of complex management decisions.

Information about features such as topography, geologic structure, soils, vegetation, cultural features, and transportation network are fed into the system, which can then be used to identify areas that fall within a set of parameters governed by the data.

GIS systems are in the process of being set up in CE field offices and it is too early to assess their full role in addressing recreation management issues. However, their potential for addressing recreation issues is extremely promising.

DATABASES MANAGED BY OTHERS

The task force identified databases that are developed and maintained by other agencies and interests that can support the CE recreation program. It is not in the Corps' interest to attempt to duplicate databases that are available from other sources. However, there may be a need and opportunity to participate with other agencies and interests in developing and improving these databases. The objective of this cooperative effort would be to 1) make the data more useful to the Corps and others; 2) make information available on a larger segment of the recreating population; 3) help support local planning and development initiatives; and 4) maximize the use of limited funds.

CENSUS BUREAU DATA. Data from the Census Bureau includes identification of Metropolitan Statistical Areas (which are reported on the NRMS), population projections, and demographic information (such as age, family structure, income levels). Such data are useful in planning for development and predicting recreation use trends. This information is readily available from various publications, reports, and computer accessible databases.

STATE COMPREHENSIVE OUTDOOR RECREATION PLANS (SCORP). Most states prepare a SCORP as a means of identifying recreational needs and preferences of the recreating public and to make recommendations to effectively meet those needs. The SCORP helps to coordinate the activities of federal, state, and local management agencies, and is an important tool in formulating recreational policies and priorities.

States prepare a SCORP to fulfill necessary requirements for continued participation in the federal Land and Water Conservation Fund program. The program provides matching grants to state and local levels of government for acquisition, development, renovation and improvement of outdoor recreation facilities and resources.

STATE HUNTING AND FISHING LICENSE DATA. These data can be useful for determining the distribution of sportsmen in relation to Corps projects. They also yield relative numbers of sportsmen (as well as demographic information such as age) which is useful in planning for future development of recreation facilities.

STATE BOAT REGISTRATION DATA. As with data associated with hunting and fishing licenses, these data can be used to infer the existing demand for water-based recreation. Other information such as type and size of vessels being registered could also be useful in planning for future development (i.e.; if registrations for houseboats and other vessels capable of accommodating overnight stays were indicated, the need for holding tank pumpout facilities and moorage facilities would be indicated).

DATA REQUIREMENTS

This part of the report discusses the data elements needed to support recreation policy decisions but are not currently available in existing data bases managed Corps-wide. In identifying data requirements it is important to note that information needs are dependent on the future direction of the CE recreation program. Figure 1 demonstrates how information requirements may differ depending on future options exercised in administration of the CE recreation program.

The task force recognized the need to integrate any new data bases into the O&M Structured Requirements Analysis Plan (STRAP) prepared in 1988. Further refinements in the collection and management of information identified in this section should conform to the requirements defined in STRAP.

Information about activities resulting from the operation of recreation areas is basic to effective recreation management. This includes information on recreation use by visitors to CE projects, recreation use patterns of visitors to non-Corps facilities, user fees, concession operations, shoreline management, vandalism, and citation activities among others. For each information need identified, specific data requirements were defined and a general rationale provided.

CORPS VISITOR INFORMATION. The primary source of CE visitor information is the NRMS. While NRMS provides a comprehensive overview of the CE recreation program, additions to the system were identified that are required to support management decisions and capture the broad range of recreation opportunities that exist at CE projects. Many allocation and management actions require a comprehensive understanding of the benefits the CE recreation program in terms of direct user benefits and economic effects to a local region. Information in existing data bases is inadequate to meet this need. The following are Corps visitor information requirements not currently included in existing data bases:

- recreation activity distribution by recreation area
- hotel, motel or resort overnight use at the project
- project day use staying overnight locally but off project
- houseboat use
- recreation area visitation by month

- visitor origin zones
- average length of stay
- primary destination
- golden age/access visitation
- recreation equipment usage (camping equipment, bicycles)
- use fee revenues by month by area
- campground occupancy rates by month by area
- visitor spending estimates by project and area
- dispersed visitation on undeveloped lands and adjacent to residences
- facility and activity needs

Many of the data items identified above are currently collected under existing systems such as the standard CE visitation survey (ENG Form 4835) and AUPS but are not reported upward. Therefore minimal additional data collection effort is required. Many visitor information items not currently collected could be added to existing collection systems to minimize additional data collection burdens on project personnel. (This approach will require Office of Management and Budget approval of data items not in the standard visitation survey and AUPS.) The NRMS is the logical place to manage the data identified. Data management options and impacts are described in the options section of this report.

INFORMATION ON POTENTIAL VISITORS. One approach to reducing the federal burden of the CE recreation program is to increase revenues generated by existing recreation opportunities and to broaden the program to provide new recreation opportunities. This requires an understanding of the motivations and needs of potential customers not now served by Corps projects. Recreation information maintained by CE data bases is confined to data about current CE project visitors. While this may be useful to address the needs of the existing recreation program it is inadequate to assess the potential market for new recreation opportunities or major changes in existing programs. Many surveys and data bases managed by others provide opportunities to obtain needed information at minimal cost.

The following data requirements illustrate the type of information necessary to market CE recreation opportunities:

- visitor site selection factors
- activity participation rates
- willingness to pay user fees
- visitor activity and facility preferences
- information sources used to select places to recreate
- demographics
- trends in visitor-use patterns

RECREATION FEE INFORMATION. The NRMS provides annual fee revenues at the area level. While this information is sufficient to provide a general overview of the fee program at each area, more detailed information is necessary to evaluate management efficiency. For instance, when evaluating the length of the fee season at a campground it may be necessary to determine fee revenues on a monthly basis. The efficiency of offering specific services can only be evaluated when the revenue generated by that service is known. The federal burden of managing the information identified is minimal because the information in most cases is available at the specified level of detail at the local level through manual systems or the AUPS. The following information needs reflects the level of detail required to assess operating efficiency, pricing policies, and potential for non-federal management:

- Total area fees by month
- Monthly fee totals by the following categories:
 - o total camping
 - o golden age/access camping
 - o camping visitors
 - o miscellaneous camping fees
 - o camping reservations
 - o picnic shelters
 - o special events
 - o concessions at CE areas

WORK ORDER MANAGEMENT SYSTEM. The evaluation of the efficiency and profitability of a recreation area requires detailed information on the costs associated with the operation and maintenance of recreation areas. While the COEMIS data base can provide information on the overall costs of area operations it does not provide sufficient detail to evaluate management alternatives and the implications of policy decisions. A project level workload management and cost tracking system using individual work orders is required to obtain sufficient cost details. The following are data elements that could be included in such a system:

Task Description. This identifies the specific type of task performed. Examples of task descriptions are grass mowing or restroom cleaning.

Resource Requirements. This describes the manpower, equipment and materials required to perform a task. The cost of resources required to perform a task would be included here.

Task Location. This identifies the recreation area where a task was accomplished.

VANDALISM. Vandalism damage is a variable and to some degree manageable O&M expense. As such, acts of vandalism impact not only the profitability of an area but of a

total project. As a manageable expense, information describing trends, frequency, cost of repairs, type of vandalism, etc., enable local managers to make field adjustments. Adjustments in areas such as hours of operation, frequency of ranger patrols, redesign of facilities, law enforcement cooperative agreements, etc., are examples of decision options available to local managers that would benefit from the information requirements identified.

Potential non-federal facility managers are interested in vandalism information. This information helps to identify visitor use patterns, potential management problems, and design and maintenance deficiencies. The existing management of data relating to vandalism costs and occurrences is limited to local field offices.

CITATIONS BY AREA. Information identifying citations by recreation on area provides local managers some of the same type information as vandalism. The numbers and violations for citations issued in each recreation area aids in identifying visitor use trends, design deficiencies, insufficient ranger patrols, insufficient law enforcement services, etc.

DOCK PERMITS BY PROJECT. The shoreline management program at many CE lakes is a demanding and resource consuming program that has a significant impact the O&M "bottom line." Accurate information on numbers of dock permits provides an indication of the level of private and exclusive activities occurring on a project. The existing management of data relating to dock permits by project is limited to local field office data bases and the district real estate element.

CONCESSION REVENUES AND COSTS. Revenue information is required by type of product and service provided at each concession. This information is obviously sensitive to the concession operation/owner. However, it is available in general terms from the CE Real Estate managers administering the concession agreement. Potential uses of this information would be from entrepreneurs evaluating venture profitability and for market analysis purposes.

Figure 1. Information Requirements for Alternative Management Options

CURRENT MANAGEMENT ARRANGEMENT	FUTURE MANAGEMENT OPTIONS	PRIORITY INFORMATION REQUIREMENTS
CE Operated Recreation Area -----	--- Continued CE operation, improved efficiency	<ul style="list-style-type: none"> * O&M efficiency analysis * Visitor use analysis
	--- Continued CE operation expanded fees improved efficiency	<ul style="list-style-type: none"> * O&M efficiency analysis * Marketing analysis of current and potential CE visitors
	--- Transfer to non-federal agency	<ul style="list-style-type: none"> * Economic impact analysis * Marketing analysis of current and potential CE visitors * O&M cost analysis
	--- Transfer to private hands, introduce revenue producing facilities	<ul style="list-style-type: none"> * Feasibility analysis of proposed operation * Economic impact analysis

IMPLEMENTATION OPTIONS

The following options discuss specific implementation strategies to collect the new data identified by the Task Force. Implementation of these options is somewhat interdependent since they may accomplish the same intent in different ways. The independent impacts of each option are discussed separately. The general impacts of collecting the data will slightly increase the visitor survey burden of the Corps. If local data bases exist at the project level, capture of the new data identified should have minimal impacts beyond existing information collection requirements.

1. **INCLUDE NEW DATA REQUIREMENTS IN NRMS.** Many of the new data requirements identified by the Task Force could be included in a revised NRMS data base. This reporting requirement would result in projects having to develop local systems to capture the data required by the revised NRMS report. Some of the data identified by the Task Force as being essential is not suitable for retention in the NRMS

summary report format. For example, raw survey data, which must be collected and maintained at the local level to allow future analysis of the data for unanticipated requirements by the CE and others.

IMPACTS. Since the NRMS is periodically updated, in most cases the inclusion of new or revised data fields will have minimal impacts on district or project operations. If information requirements require the development of new information collection procedures this could have a significant impact on field projects tasked with developing information collection systems. Local development of information collection systems could result in inconsistencies in data reported.

2. PROVIDE SOFTWARE FOR PROJECT DATA MANAGEMENT. This option would provide projects with standard data base software designed to record, administer, and report the new data identified by the Task Force. This type of system exists for use fee receipt data (AUPS) and is being developed for visitor survey data. These could be reviewed and revised as necessary to incorporate the new data requirements identified by the Task Force. New standardized data base software could be developed for visitor use reporting, shoreline management, encroachment management, and citation management. An important advantage of this option is that it allows the retention of the raw data instead of summary data as in the NRMS. Information that may be needed intermittently, would therefore be available for use in support of management decisions and non-routine requirements and only reported upward on an as needed basis.

IMPACTS. Revision of standard project data bases to collect new data identified by the Task Force would have minimal impacts. Development of new software packages would require one to two man years of effort for each database. It should be designed to reduce existing duplication of effort in local data base development and management and help to standardize databases between field offices.

3. IMPROVE DATA QUALITY. A significant limitation in the value of existing data and a threat to the usefulness of the new data requirements identified by the Task Force is the level of accuracy of any available information. Data quality must be managed to a level of accuracy appropriate to its use. Actions which can be taken to improve data quality are:

- * Independently measure data quality.
- * Provide data collection standards.
- * Provide training of employees involved in data management.
- * Improve data structure to provide internal accuracy checks.
- * Improve standard data definitions.
- * Improve access to databases at the local level
- * Improve query and reports preparation systems

IMPACTS. Efforts to determine and standardize data quality are expected to have significant impacts on data managers. An initial effort to establish expected levels of data quality and to emphasize the importance of maintaining appropriate levels could be followed by a minimal routine effort to maintain data quality. Impact on the visitor would be negligible since the data collection process would change little if any from existing practices. Visitors would be favorably impacted through better facility management and improved response to visitor preferences and demands. Queries from other agencies or private interests concerning recreation area data would be satisfied with more reliable data for use in economic feasibility and market studies.

4. DEVELOP WORKLOAD MANAGEMENT SOFTWARE. This option would be to develop standard data base software to manage and administer recreation area operations and maintenance work. The system, driven by information from individual work orders, would maintain a data base on work tasks and separate data bases to identify the manpower, equipment, and material resources consumed in the accomplishment of each work task. This option is a component of Option 2, but is described separately since these data are not currently being collected, and is the most important new data requirement identified by the task force.

IMPACTS. Two to three man years of effort may be required to develop this software. Its implementation will directly impact daily activities at projects and district offices, which may be difficult for some projects with a shortage of manpower. The clear identification of work tasks may invite increased management level involvement in what are now routine work activities. There will be direct local benefits from implementing this data base in that it allows increased local management of work activities and provides accurate equipment and manpower use records. This will improve management's ability to assess the impacts of policy options and increase the tools available to improve efficiency.

5. EXPAND RECREATION AREA COST REPORTING. The Recreation Area Cost review conducted in the spring of 1989 developed a test program of monitoring recreation area costs by establishing separate COEMIS cost codes for select Corps recreation areas and distributing costing rules for their use. The results of this test will be evaluated at the end of FY90. At that time it will be determined whether COEMIS is the appropriate method of monitoring recreation O&M costs with sufficient detail to support the evaluation of management options. This program could be expanded to include all Corps areas and the end of year expenditures resulting for the program reported in NRMS. This option will provide a general summary of overall operations costs, but little information about the work which creates the cost. This will limit the value of this information for efficiency review.

IMPACTS. The most significant impact of this option is its affect on project management activities. Projects with large and complex recreation programs may find the use of detailed cost codes difficult to implement.

6. DEVELOP BATTERIES OF SURVEY QUESTIONS TO BE ADMINISTERED BY OTHERS. The collection of data about potential visitors to Corps facilities has been identified by the Task Force as new information which is required. Various opportunities exist for Corps participation in general population surveys administered by others which could be the vehicle for collection of this required data. SCORP surveys, cooperative surveys with other agencies, surveys by local Chambers of Commerce are examples of surveys which could include Corps data collection requirements. In order to exploit these opportunities when they exist, this option would require development of standard survey questions designed to collect activity and preference information needed by the Corps. Software to process the resulting the surveys would facilitate the process. However, since the Corps would not control the administration of the surveys, software compatibility with the other systems may limit the value of software development.

IMPACTS. Minimal effort would be adequate to develop and distribute standard questions for survey use. Software development to process the surveys would be more time consuming to prepare and may not justify the cost.

APPENDIX 1

MISSION STATEMENT

**CORPS OF ENGINEERS RECREATION STUDY
INFORMATION COLLECTION TASK FORCE #4**

Review of Data Base Needs

1. Purpose and Scope. The ASA(CW) identified a need for a data base that would ". . . specify expenditures and personnel associated with recreational operation and maintenance by individual projects and sites; visitation characteristics, such as length of stay, travel distance, and nature of recreational activities; use or load factors; and any other pertinent factors." Much of this information is either already maintained in the Corps Natural Resource Management System or collected in associated data collection efforts.

2. The task force will review data needs required to support analysis of recreation O&M policy options and to provide a basis for dialogue with non-federal interests, both public and private. The task force will compare these information needs with existing data bases and data collection programs. Options will be developed for expanding or improving data collection or data management systems to address identified needs. For each option potential impacts on the federal burden and on the recreation visitor will also be described. The task force is not to make recommendations, but rather to describe a wide range of options and the potential impacts of each.

3. Product. The task force will provide a final report which thoroughly describes its composition, task, approach, the review of information needs and existing data collection and data base management systems, and the range of potential changes and impacts identified. The report should be able to stand alone as an appendix to the overall Corps Recreation Study Report.

APPENDIX 2

TASK FORCE MEMBERS

NAME	ORGANIZATION	OFFICE
R. Scott Jackson	Waterways Experiment Station	Environmental Laboratory
Mike O'Keefe	Rock Island District	Natural Resources Management
Judith Rice	HQUSACE	Natural Resources Management
Eddie Sosebee	West Point Lake	
Dave Vader	Omaha District	Planning Division
Billy Wright	Vicksburg District	Real Estate
Todd Yann	Nashville District	Natural Resources Management

U.S. ARMY CORPS OF ENGINEERS RECREATION STUDY

VOLUME II: APPENDIX F

**Information Collection Task Force #5
Increased Non-Federal Participation**

CORPS OF ENGINEERS RECREATION STUDY

REPORT OF TASK FORCE #5

OPTIONS IDENTIFICATION AND ASSESSMENT
FOR
ENCOURAGING NON-FEDERAL INTERESTS
TO
MANAGE EXISTING CORPS RECREATION AREAS

CORPS OF ENGINEERS RECREATION STUDY REPORT OF TASK FORCE #5

STUDY OBJECTIVE:

As requested by the Assistant Secretary of the Army for Civil Works, the Corps is to develop a plan that will maintain and enhance the public recreational opportunities at Corps projects while reducing the Federal costs for development and operation of recreational facilities.

TASK ASSIGNMENT:

Within the context of the study objective, Task Force #5 is to contribute to the information collection effort by identifying and assessing potential options that could lead to greater participation by non-Federal interests in the management of existing Corps recreation facilities. In identifying the options, Task Force #5 is to consider incentives, (e.g. prior facility upgrading or a continued, but reduced Federal participation) that might be needed to increase the interest of non-Federal entities.

In its assessment of the options, the task force is to include the potential impacts on the Federal burden, the quality of the recreation experience, and the natural resource base. Also, the task force is to describe the market, development, resource, institutional, and other such conditions under which particular options will most likely lead to a favorable or increased interest by non-Federal entities. Both the positive and negative aspects of each option are to be considered.

APPROACH:

A literal reading of the task assignment could imply a comprehensive research effort requiring social, economic and environmental data collection, budget statistics, and non-Federal interest surveys to determine the validity of options identified and quantitatively describe their impacts. However, given the constraints on time and resources, the Task Force developed a qualitative assessment of potential options and their impacts based on the opinion and judgement of experienced Corps personnel.

TASK FORCE COMPOSITION:

A geographic diversity was achieved by the selection of task force members from California, Texas, Mississippi, Tennessee, Maryland and Washington, D.C. Collectively the members have over 160 years of experience in the recreation field. Messrs. Snow and Holmberg are well versed in the areas of recreation planning, development and environmental design. Mr. Barnes contributed over 16 years experience in land management and disposal. Insightful thought and comment were provided by Dr. Anderson from his recreation research experience. Mr. Jarboe brought extensive operation experience and Mr. Synder provided recent field experience. Messrs Prante, and Otto, provided insight from a HQUSACE perspective.

A brief background for each active task force member is provided at Attachment I. Ms. Howell and Messrs Bittner, Flachbarth and Hewitt served as consultants on an as needed basis.

OPTION IDENTIFICATION:

The team reviewed a wide spectrum and a large number of options generated from several different sources. Initially, the list of "strawman" strategies, produced from a brain storming session of the main task force, was reviewed. About 40 of these were retained for further consideration. Drawing upon the experience of team members other options were identified by the Task Force.

During subsequent screenings and consolidation, the duplicate, and non-objective options were discarded pairing the master list to 38 options for systematic assessment. These 38 options were then organized into five incentive categories: Financial, Development, Lease, Marketing/Promotion and Policy/Legislative. Grouping of the options into these categories allowed similar ones to be considered collectively, thus facilitating systematic assessment and increasing organizational efficiency. Some options did not "fit" concisely into a single category but, could have been placed into two or more. In these cases, the team selected the most relevant category.

Attachment II "List of Options", presents the options grouped by relevant categories. Each category is provided a definition and each option is numbered, assigned a "short" title, and full statement of its intent.

OPTION ASSESSMENT:

Members of the task force reviewed the options collectively and individual members were assigned a number of options for assessment. All members reviewed the work of fellow

members. A final meeting was held to discuss each option and to reach consensus. Because of the backgrounds of Task Force members, differences in literary style and approach may be detected in option evaluations.

An assessment profile was developed consisting of the option's short title, situation, proposition, impacts and conditions necessary for favorable non-Federal interest. Attachment III contains a complete profile for each of the 38 options assessed and addresses the impacts on the Federal Burden, Quality of the Recreation Experience and the Natural Resource Base.

CONCLUSION:

The information contained in this report is the collective opinion and judgement of the members of Task Force #5. The ideas presented, while not all inclusive, constitute the types of initiatives and incentives necessary to increase the non-Federal public and private assumption of existing recreation areas at Corps of Engineers water resource projects. While some options may not in themselves encourage non-Federal entities to operate existing Corps recreation areas, combination of options may collectively increase the attractiveness. The Task Force did not assess this synergistic potential.

HOWARD J. PRANTE
CHAIRMAN, TASK FORCE #5

CORPS OF ENGINEERS RECREATION STUDY
REPORT OF TASK FORCE #5

ATTACHMENT - I
ACTIVE MEMBERS

CORPS OF ENGINEERS RECREATION STUDY
REPORT OF TASK FORCE #5

ATTACHMENT-I: ACTIVE MEMBERS

HOWARD J. PRANTE: Policy Analysts/Outdoor Recreation Planner, Policy Guidance and Application Branch, Policy and Planning Division, Civil Works Directorate, HQUSACE. Mr. Prante has over 28 years service with the Corps of Engineers and 5 years with the U.S. Forest Service. His experience includes 5 1/2 years as Chief, Environmental Resource Branch (ERB), Huntington District, 4 years with ERB, St. Louis District and 5 years in the Real Estate Division, Kansas City District. He has been in his current position 13 years. Mr. Prante holds a BS in Forestry from the University of Missouri.

JOHN S. JARBOE: Chief, Operations Division, Fort Worth District. Mr. Jarboe has 32 years service with the Corps of Engineers in the fields of engineering, construction and project operation. For the last 27 years he has served in the operation and maintenance field for the Tulsa and Fort Worth Districts. He is a registered professional engineer in the states of Oklahoma and Texas. Mr. Jarboe holds a BS in Mechanical Engineering from Oklahoma State University.

ADOLPH J. ANDERSON: Program Management, Recreation and National Resources Research, Environmental Laboratory, Waterways Experiment Station, Vicksburg. Dr. Anderson has over 18 years service with the Corps of Engineers. His experience includes 5 years conducting recreation and socio/economic studies in the Fort Worth District and the last 13 years in the conduct of a wide array of research projects designed to enhance recreation and natural

resource management. Dr. Anderson holds a PhD in Recreation and Resource Development from Texas A&M University.

J. TODD SNOW: Environmental Resources Planner, Environmental Analysis Branch, South Pacific Division. Mr. Snow has over 20 years service with the Corps of Engineers. His experience includes recreation planning, and environmental design for the Huntington, Portland and Seattle Districts. He has served in his present position for the last 13 years. Mr. Snow holds a BS in Sociology from the University of Illinois and a BLA from the University of California.

JOSEPH J. HOLMBERG: Chief, Natural Resources Management Unit, Sacramento District. Mr. Holmberg has over 16 years service with the Corps of Engineers, 8 years with the Bureau of Reclamation and 3 years with a private environmental consulting firm. His experience includes the planning, development, and operation of recreation and natural resource areas. The last 10 years he has served in the Operations Branch of the Sacramento District. He recently served as Acting Chief, Recreation Programs Section, Construction Operations & Readiness Division, HQUSACE on a temporary assignment. Mr. Holmberg holds a BS in Forest Management from Oregon State University.

WILLIAM O. BARNES: Chief, Management & Disposal Branch, Real Estate Division, Nashville District. Mr. Barnes has 16 years service with the Corps of Engineers. His experience spans all aspects of land management and disposal including recreation concessionaire management. Mr. Barnes holds a BS in Forestry from the University of Tennessee.

DONALD P. SNYDER: Chief, Natural Resource Management Section, Operations Division, Baltimore District. Mr. Snyder has 10 years service with the Corps of Engineers. All of his experience is in the natural resource management field starting as a Park Technician in the St. Louis District, later as Park Ranger in the Rock Island District and currently in his present position as section chief. Mr. Snyder holds a BS in Natural Resource Management from Slippery Rock State University.

ALEXANDER C. OTTO: Senior Water Resource Planner, Eastern Regional Management Branch, Policy and Planning Division, Civil Works Directorate, HQUSACE. Mr. Otto has over 29 years service with the Corps of Engineers. Early experience included Master Planning, recreation planning, and facility design through construction while at the Pittsburgh District for 13 years. Latter experience includes 10 years with the Environmental Resources Branch of the Planning Division, HQUSACE and 6 years in his present position. Mr. Otto holds a BS in Landscape Architecture from Pennsylvania State University.

CORPS OF ENGINEERS RECREATION STUDY
REPORT OF TASK FORCE #5

ATTACHMENT - II
LIST OF OPTIONS

CORPS OF ENGINEERS RECREATION STUDY
REPORT OF TASK FORCE #5

ATTACHMENT-II: LIST OF OPTIONS

FINANCIAL INCENTIVES

This grouping of options involves government financial contributions as an incentive to non-Federal and/or private parties to assume additional management responsibilities on Corps projects. Financial contributions can take the form of land, service or direct payment.

1. Fee Lands for Management: Provide fee lands to non-Federal and Private entities in exchange for takeover of existing Corps public recreation areas.
2. Fee Lands for Financing: Provide lessees with sufficient fee lands to allow them to obtain financing.
3. Low Interest Federal Loans: Offer low interest, long term Federal loans for private/non-Federal entities to manage and develop public recreational facilities on Corps lands.
4. Fund Marketing Studies: Fund marketing studies as the cost of these studies deters potential recreation providers from pursuing the lease.
5. Rescind Up Front Financing: Ease or eliminate requirements for up front financing of recreation development.
6. Cost-Sharing-Non-Profit: Allow cost sharing with non-profit entity.
7. Cost-Sharing-Private: Allow cost sharing with on private entity.
8. Cost Sharing-O&M: Allow cost sharing for operation and maintenance expenses with non-Federal Public interests.
9. Cost Sharing-Development: Revise cost sharing formula for facility development to increase Federal share.
10. Improvement Fund: Develop a fund for construction or improvement of recreational facilities.
11. Consolidation/Renovation: Consolidate and renovate facilities to improve inefficient recreation areas.

12. Provide Corps Expertise: Consult with and make available Corps expertise to private/non-Federal entities on risk management and provide design and/or construction management.
13. Provide Infrastructure: The Corps construct all or part of the infrastructure including roads, parking lots, utilities, and sanitary facilities.

DEVELOPMENT INCENTIVES:

This group of options address development by non-Corps entities on Corps projects.

14. Allow Private Exclusive Use: Lessen the restriction on the type and location of private exclusive use in conjunction with public recreation and charge a realistic fee for that use.
15. Non-Traditional Recreation: Allow non-traditional recreation facilities.
16. Lease Entire Lakes: Offer entire lakes (minus the dam and outlet works) for lease.
17. Cost Sharing-Facilities: Ease restriction on types of facilities cost shared.

LEASE INCENTIVES:

This group of options involves modifications to existing lease forms, procedures, and/or practices.

18. Lower Lease Costs: Lower rent cost to lessees.
19. Longer Term Lease: Lengthen the term of the lease for private concessions to allow long term financing.
20. Allow Lessees More Activities: Allow lessees to conduct any type of commercial activity that supports recreational use.
21. Remove Reinvestment Requirements: Remove requirements for public lessees to reinvest all funds generated on the site.

MARKETING/PROMOTION INCENTIVES:

This group of options involves promotion or marketing of Corps project by the Corps of Engineers.

22. Advertising Program: Use Corps resources to advertise recreational opportunities at Corps projects to increase use.
23. Marketing Programs: Engage in economic advertising and marketing to developers to encourage private/non-federal entities to lease recreation areas.
24. University Run Parks: Encourage college/university to operate parks using students who are gaining college credits and/or money from their efforts.
25. Foster Local Interests: Foster local/community organizations to encourage non-Federal takeover of recreational facilities.
26. Swap Recreation Areas: Swap recreation areas with other agencies to facilitate management efforts.

POLICY/LEGISLATIVE INCENTIVES:

This group of options involves new legislation or changes in existing law, regulation, and policy.

27. Diversification of Use: Expand Congressionally authorized project purposes to allow more diversification of use of public lands (make recreation an equal purpose).
28. 14 Day Occupancy Limit: Extend or eliminate the Corps 14 day occupancy limit.
29. Non-Uniform Fees: Allow operators to charge non-uniform fees to members or residents to encourage those groups to take over recreation areas.
30. Loosen Liquor Restrictions: Loosen restriction on sale of Liquor.
31. Loosen Lottery Restrictions: Loosen restriction on sale of lottery tickets.
32. Negotiated Expansion: Allow non-competitive expansion of concession leases into adjacent Corps operated recreation areas.
33. Land Acquisition Authority: Seek legislative authority to allow land acquisition to facilitate recreation development (including the right of eminent

domain) to provide a private/non-Federal entity with adequate land and location to engage in profitable public recreation activities.

34. Use of Other Federal Funds: Allow non-federal organizations to use other federal funds in conjunction with Corps cost sharing funds.
35. Members Only Development: Allow "members only" operated recreational developments when members pay the O&M.
36. Equitable Recreation Fees: Ensure the Corps recreation fees do not undercut private/non-Federal competition.
37. Eliminate Free Camping: Eliminate the free camping requirement.
38. Corps Operation of Turnback Areas: Allow Corps operation of returned recreation areas to encourage other potential lessees.

CORPS OF ENGINEERS RECREATION STUDY
REPORT OF TASK FORCE #5

ATTACHMENT - III
OPTIONS ASSESSMENT PROFILES

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 1: Fee Lands for Management

SITUATION: Current regulations allow leasing of Corps-administered lands to private and non-Federal public entities. Leases can be for multi-year terms with rental being required from private concessionaires but not from public entities. Federal law controls the disposal of land. It is not permissible to exchange land for services.

PROPOSITION: The Corps would transfer fee lands to private and non-Federal public entities in exchange for takeover of existing recreation areas. As an inducement to non-Federal (public and private) to assume additional operations of existing Corps-operated public use areas, the Corps could exchange parcels of fee land with transfer being conditional on non-Federal's assuming O&M of an existing Corps-operated recreation area. Land to be given up could be contiguous to the recreation area or located elsewhere. This would allow the operator to receive a valuable consideration, land, for service to be provided.

IMPACT:

- a. Federal Burden: This option would provide a reduction of O&M expenditures to the extent that non-Federal entities would be willing to assume operation of additional Corps areas. The cost is a reduction in the Federal land base resource.
- b. Recreation Experience: Impacts on the quality of recreation experience are unknown. Quality would likely not be increased but could decrease as lands are lost to governmental control.
- c. Natural Resource Base: Adoption of this option would reduce the total available resource base by the amount of land transferred in fee. Impact on transferred lands would be dependent on actions by the non-Federal operations but could be significant if intensive development occurs.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST: This option will apply primarily in cases where a non-Federal or private interest has a need for government-controlled land, or where the economics of a situation would favor a takeover with accompanying expense being offset by the value of land received by the non-Federal interest. Determining factors would be value of land being provided. Other situations which might favor this option are cases where a developer (public or private) desires some type of non-traditional development not permissible on leased property. This option would be most useful in special situations such as projects in urban areas. Once transfer is completed, compliance and upkeep of the leased Corps lands could be problem since the non-Federal interest would have already received their benefits and would have little incentive to perform. This option is contrary to several laws, regulations, and policies. Federal law is involved both from the standpoint of excessing and disposing of property.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 2: Fee Lands for Financing

SITUATION: Currently lessees place all of their facilities on land which they lease and/or on adjacent land which they own or control. Under this method, the Corps maintains significant control of activities. This control and the uncertainty of renewal creates a situation where private financing is sometimes difficult to obtain.

PROPOSITION: Provide lessees with a portion of their land base in fee. This option would allow developers to own, in fee, a portion of the area that traditionally was only leased. This area of fee land could be used for types of development not permissible on Corps land (i.e., residential). This should make sites more attractive to developers since their fee land could then be used as security for borrowing purposes.

IMPACT:

- a. Federal Burden: This option could reduce O&M if this incentive resulted in more takeover by non-Federals of existing Corps-operated recreation areas.
- b. Recreation experience: Impacts on the quality of recreation are uncertain. Quality may not be increased but could decrease as lands are lost to governmental control. The enhanced ability of developers to finance expansion could result in an increase of available facilities with both advantages and disadvantages, depending upon the nature of the facilities.
- c. Natural Resource Base: Adoption of this option would reduce the total available resource base by the amount of land transferred in fee. Impact on remaining lands would be dependent on actions by the non-Federal operations. Primary disadvantage to the United States is total loss of control of the transferred property with a long-term potential for in-holdings being generated.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST: This option would be applicable to all Corps-operated and concession-operated recreation areas. From a practical standpoint, only areas with profit-making potential would be affected since other areas would not be taken over regardless of this option. Market limitations would restrict applications to existing well located, heavily used areas with good potential for expansion. If this option is adopted it would be applicable to both existing areas and to new or prospective areas. Once transfer is completed, compliance and upkeep of the remaining Corps lands could be a problem since the non-Federal interest would have already received their benefits and would have less incentive to perform. This option is contrary to several laws, regulations, and policies. Federal law is involved both from the standpoint of exessing and disposing of property.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 3: Low Interest Federal Loans

SITUATION: The costs of securing loans for the management or development of Corps recreation areas precludes participation by most non-Federal entities.

PROPOSITION: Offer low interest, long term Federal loans to private or non-Federal entities to develop public recreation facilities on Corps lands.

IMPACT:

- a. Federal Burden: This option would have some costs to the Federal government. Low interest government loans are presently being used to subsidize a wide array of programs. The costs of administering the loans also would increase the Federal burden as would any defaults on loans. In the long run, however increased takeover and operations of recreation areas by non-Federal interests could result in savings.
- b. Recreation Experience: With low interest loans there would be more opportunity to manage and develop more recreation facilities. Initially there may be "more things" to do but this does not equate to an increase in the quality of experience.
- c. Natural Resource Base: As with any approach that allows or encourages development of areas for recreation, this proposal may adversely affect the natural resources on or adjoining those areas. The takeover of operations by a sponsor interested primarily in recreation rather than in stewardship of all resources, as the Corps is, could result in adverse impacts.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST:

Based on the history of this type of program most developers would welcome the chance to secure low interest Federal loans. The incentive value of this option could be very high. To develop a loan system would involve the allocation of obligated funds that would be used for development of recreation at Corps projects. Legislation would be required. The option could provide an incentive for new developers to take advantage of the low interest loans.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 4: Fund Marketing Studies

SITUATION: Some Corps districts require extensive research and studies to be completed before allowing non-Federal entities to take over management of a recreation area. The costs of these studies often deter potential developers from pursuing lease agreements.

PROPOSITION: The Corps would fund marketing studies that would demonstrate, to the developer, that there is a market for the activity that is proposed.

IMPACT:

- a. Federal Burden: Providing the studies required for proposed developments on Federal lands could impact the Federal budget depending on the level of detail required. In the long run, however, increased takeover and operation of recreation areas by non-Federal interests could result in savings.
- b. Recreation Experience: A well planned business, with existing studies to show the interest level is high, could increase the quality of the recreational experience. If the studies are conducted correctly and produce good data, the visitor recreational needs could be met or exceeded.
- c. Natural Resource Base: No major impacts on the natural resource base are likely unless additional facilities are constructed and as long as the area is managed similarly to the manner managed by the Corps.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST:

Marketing studies are of recognized value. The Federal government's funding these studies could be a substantial incentive. Marketing studies would be able to put a value on the recreational experience. The Corps would have to develop a policy for funding these studies. Most districts have expertise to do marketing studies to some extent. Marketing studies are only one element by which a company identifies a market for their product or service and may not result in a non-Federal entity's agreeing to operate and maintain a recreation area.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 5: Rescind Up Front Financing

SITUATION: The Federal Water Project Recreation Act of 1965 (P.L. 89-72) provides for cost sharing on a 50 percent Federal/ 50 percent non-Federal basis for recreation facility development by qualified non-Federal public entities. The Act also requires 100 percent of the O&M to be the responsibility of the non-Federal public sector. It also allows the non-Federal share of the facility development costs to be paid back over time, up to 50 years. However, this pay back over time option is precluded by administrative policy which requires that up front financing by the non-Federal public sector be provided for the Corps to participate in cost sharing in recreation developments.

PROPOSITION: Under this proposition, the non-Federal public sector would be allowed to pay back its share of the recreation facility development costs over time consistent with P.L. 89-72. The administrative policy for up front financing of these costs would be rescinded.

IMPACT:

- a. Federal Burden: Implementation of this option would require the Federal government to finance the total capital improvement cost for recreation development. Although this could be considered an adverse impact on the Federal budget deficit, in the longer term, the full portion of the non-Federal share for development would be paid back to the government with interest and additional non-Federal entities might be encouraged to operate and maintain, therefore reducing the Federal O&M burden.
- b. Recreation Experience: Any development of planned recreational opportunities could be considered a favorable impact on the quality of the recreation experience. This is particularly true considering that the Corps is precluded from providing needed recreation facilities without cost sharing.
- c. Natural Resource Base: As with any approach that allows or encourages development of areas for recreation, this proposal may adversely affect the natural resources on or adjoining those areas. The takeover of operations by a sponsor interested primarily in recreation rather than in stewardship of all resources, as the Corps is, could result in adverse impacts.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST: There are 2507 existing recreation areas presently operated by the Corps. Each of these areas has been developed in varying degrees supporting a wide array of public recreation opportunities. This array of opportunities provides non-Federal public entities (i.e., States, countries, cities, etc.) various choices to satisfy a local recreation need. Current policy encourages the non-Federal public sector to take over these existing areas. Implementation of this proposal would provide an added incentive particularly for those entities that have limited funds for capital improvement (normally smaller communities). By allowing these costs to be paid back over time as provided in PL 89-72, the potential exists for encouraging additional non-Federal operation and maintenance. Institutionally, implementation of this proposal would only require an

administrative change in policy. The success of this proposal would be dependent upon a marketing strategy and an internal acceptance by the Corps to market its operated areas. The key for marketing would be the location, expansion potential and a demonstrated need an individual site provides for additional local recreation opportunities. The size of an area or type and amount of existing development are not considered limiting, but may be a factor dependent upon the needs of the non-Federal public entity targeted for takeover of an area.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 6: Cost Sharing-Non-Profit

SITUATION: The Federal government can share in the cost of recreational development only with non-Federal public sponsors. This may keep some otherwise qualified sponsors from taking over and operating existing recreational areas, as it is too expensive for them to upgrade and expand the areas to function economically.

PROPOSITION: Allow Federal cost sharing of further recreational development by non-profit organizations (such as Boy Scouts, chambers of commerce, and civic organizations instead of just with non-Federal public sponsors), as an incentive for these groups to take over operation of recreation areas either for their own exclusive use, as a money making activity, or as a civic good.

IMPACT:

- a. Federal Burden: The greater outlay of Federal funds initially presumably would be overcome by long term savings as a result of less Federal involvement in operation of recreation areas.
- b. Recreation Experience: There should be little change in the quality of recreation experience if the operating entity is required to operate the area in accordance with standard procedures. To the extent that an operator is allowed to operate the area exclusively for its membership, recreation for the general public would suffer.
- c. Natural Resource Base: As with any approach that allows or encourages management of an area just for recreation, this proposal to the extent that it is successful in getting others to operate portions of project areas may tend to adversely affect the natural resources on or adjoining those areas. Groups interested primarily in recreation may not have as great a dedication to stewardship of all the resources as does the Corps, resulting in neglect or loss of natural resources.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST:

Cost sharing has been prescribed by, or modeled on, the language in PL 89-72, which allows Federal cost sharing with "non-Federal public bodies." This law and policy would require change to broaden the range of cost sharing partners. Unpopular groups might qualify for and seek take over of recreation areas as causing local controversy and embroiling Corps in the issues. Groups would have to be carefully checked to assure that they are legally and financially capable.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 7: Cost Sharing - Private

SITUATION: The Federal government can share in the cost of recreational development only with non-Federal public sponsors. This may keep some otherwise qualified sponsors from taking over and operating existing recreational areas, as it is too expensive for them to upgrade and expand the areas to function economically.

PROPOSITION: Allow Federal cost sharing of further recreational development with private groups or commercial entities instead of just with non-Federal governments.

IMPACT:

- a. Federal Burden: The greater outlay of Federal funds initially presumably would be overcome by long term savings as a result of less Federal involvement in operation of recreation areas.
- b. Recreation Experience: With proper restrictions on operation, there should be no substantial change from the present in quality of recreation experience.
- c. Natural Resource Base: As with any approach that allows or encourages management of an area just for recreation, this proposal to the extent that it is successful in getting others to operate portions of project areas may tend to adversely affect the natural resources on or adjoining those areas. Groups interested primarily in profit probably would not have as great a dedication to stewardship of all the resources as does the Corps, resulting in neglect or loss of natural resources in or around the recreation area.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST:

Cost sharing has been prescribed by, or modeled on, the language in PL 89-72, which allows Federal cost sharing with "non-Federal public bodies." This law and policy would require change to broaden the range of cost sharing partners.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 8: Cost Sharing-O&M

SITUATION: Traditionally, non-Federal public interests have borne 100 percent of the operation and maintenance costs on areas leased for recreational purposes at Corps projects. Only facility development costs have been cost shared. This is consistent with the Federal Water Project Recreation Act of 1965 (P.L. 89-72). Subsequent to the passage of this Act, the recreation cost sharing principles of P.L. 89-72 also were administratively applied to pre-1965 Corps water resources projects. O&M costs have become a major constraint for non-Federal public entities to lease additional areas.

PROPOSITION: Allow Federal cost sharing with non-Federal public entities for the O&M expenses at existing recreation areas currently operated by Corps.

IMPACT:

a. Federal Burden: Implementation of this option offers an opportunity for a win-win situation for both the Federal and non-Federal public sectors. The total Federal O&M cost would be reduced and the non-Federal public sponsors' traditional 100 percent O&M costs would be offset. An adverse consideration for a policy to cost share O&M with non-Federal public interests is that current lessees may demand renegotiation to obtain Federal O&M cost sharing. If this was allowed to occur, favorable impact on the Federal burden could be significantly lessened.

b. Recreation Experience: Spreading the burden for O&M costs would better assure that the recreation facilities at Corps projects will be maintained at a high standard for the benefit of the using public. This is particularly true during times when budgets for O&M stabilize or are reduced as now being experienced by the Federal sector.

c. Natural Resource Base: This option addresses only O&M costs for existing recreation areas, not new development. Therefore, little or no impact on the natural resource base is foreseen as a direct result of this proposition. Takeover of operations by others at recreation areas now operated by Corps could result in impacts to the natural resources if operations focused more exclusively on recreation instead of on stewardship of all resources.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST:

Implementation of this option would be limited to all qualified non-Federal public sponsors but not the private sector. Application would be available to all 2507 existing recreation areas operated directly by the Corps. Interest by qualified non-Federal public entities would stem from the fact that the continuing year-to-year budget costs for O&M could be cost shared with Corps. Many of these non-Federal public entities are experiencing the same type of budget constraints that the Federal sector is. The availability of this option in conjunction with a development type option (such as upgrading the existing facilities prior to leasing a site) would provide added incentive for the non-Federal public sector to take over some existing Corps recreation areas. Implementation of this option would require a change in administrative policy. It would not

necessarily require a change in P.L. 89-72 since many existing areas operated by Corps are located on pre-1965 projects.

The effectiveness of this option as an incentive would be dependent upon the amount of O&M cost sharing allowed. Two possible approaches would be 50/50, non-Federal/Federal, or major maintenance Federal and normal O&M non-Federal. A percentage split may be more appealing to the States which operate larger facilities whereas the second approach may be more appropriate for smaller communities which could afford day-to-day maintenance but not major repairs.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 9: Cost Sharing-Development

SITUATION: With the enactment of the Federal Water Project Recreation Act of 1965 (P.L. 89-72), subsequent recreation developments at Corps projects required Corps to cost share with non-Federal public entities on a 50/50 basis. This is consistent with the requirements of the WRDA 1986, P.L. 99-662. Public Law 89-72 also required the non-Federal sponsor to be responsible for 100 percent of the O&M. Later, P.L. 89-72 was amended to allow fish and wildlife habitat enhancement to be cost shared on a 75 percent Federal/25 percent non-Federal basis.

PROPOSITION: It is proposed that the cost sharing formula for recreation facility development be changed from 50/50 to 75 percent Federal/25 percent non-Federal. Precedence for increasing the Federal share to 75 percent was established when P.L. 89-72 was amended to encourage the non-Federal public sector to manage and enhance the fish and wildlife resources at Corps projects.

IMPACT:

a. Federal Burden: This option would increase the Federal share of capital improvement cost for recreation development from 50 to 75 percent. This may be an incentive, however, for the non-Federal public sector to take over those existing Corps operated areas which could be expanded with more revenue producing facilities. Along with the additional revenues achieved from expansion, the reduced development cost to the non-Federal entity may prove enough to offset any higher O&M cost of operating existing areas now under Corps operation. Any take over of Corps areas by the non-Federal sector would have a favorable impact on the Federal O&M burden.

b. Recreation Experience: Any development of planned recreational opportunities could be considered a favorable impact on the quality of the recreation experience, especially since Corps is prevented from providing needed recreation facilities without cost sharing.

c. Natural Resource Base: As with any approach that allows or encourages development of areas for recreation, this proposal may adversely affect the natural resources on or adjoining those areas. The takeover of operations by a sponsor interested primarily in recreation rather than in stewardship of all resources, as Corps is, could result in adverse impacts.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST:

There are 2507 existing recreation areas presently operated by Corps. Each of these areas has been developed in varying degrees supporting a wide array of public recreation opportunities. This array of opportunities afforded at these existing sites provides non-Federal public entities various choices to satisfy a local recreation need. Current policy encourages the non-Federal public sector to take over these existing areas. Increasing the Federal cost sharing percentage for recreation facility development would provide an added incentive. It would allow the sponsors to modify, upgrade or expand an existing site at a reduced capital improvement cost.

Institutionally, this proposal would require a change in law even though a precedence for 75 percent Federal/25 percent non-Federal cost sharing has been enacted for fish and wildlife enhancement. The success of this proposal would be dependent upon a marketing strategy and an internal acceptance by the Corps to market its operated areas. The key for marketing would be the location, expansion potential and the demonstrated need an individual site provides for additional local recreation opportunities.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 10: Improvement Fund

SITUATION: Corps of Engineers recreation areas are sometimes not in a condition or have an inappropriate mix or number of recreation facilities to encourage non-Federal operation. Recreation area rehabilitation or modernization and/or expansion might make Corps' areas more attractive.

PROPOSITION: Develop a fund for construction or improvement of recreation facilities to encourage conversion to non-Federal operation. Such a fund could function similarly to the SRUF (Special Recreation User Fee) fund which returns collected user fees to the parks for renovation, consolidation and/or construction of additional recreational facilities. Such a fund could be supported by appropriations as timber sales, lease revenues and proceeds from the sale of surplus project lands.

IMPACT:

- a. Federal Burden: Depending on the source of funds there could be an initial increase in Federal expenditure. However, if this expenditure encourages non-Federal interests to operate and maintain the area, the Federal burden would be reduced over the long term.
- b. Recreation Experience: Modernized and/or expanded recreation facilities could improve the quality of the recreation experience of most users.
- c. Natural Resource Base: Renovation of existing recreation facilities should have minor impact on the resources mainly from short-term construction disturbances. Expansion of existing or construction of new recreation facilities could impact the resource base as presently undeveloped buffer or natural areas would be converted to intensively utilized recreation areas. Depending upon the area, any increase in development could intensify use pressures on an already limited resource.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST: Modern and quality recreation facilities in sufficient quantity to produce a reasonable return from fees might encourage non-Federal entities to agree to operate and maintain Corps recreation facilities. Efficient facilities would reduce O&M costs and attractive facilities would encourage visitation which, in turn, would increase revenue generation. Areas would have to be close enough to population centers and have the potential for significant visitation otherwise non-Federal interests would continue to decline to operate Corps areas since such operation would only be a drain on their budget. Changes in law would be required if redistribution of funds is involved.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 11: Consolidation/Renovation

SITUATION: Private concessionaires are sometimes not interested in leasing Corps recreation areas because the areas are inefficient and/or the facilities are in need of renovation. As is the case with non-Federal public entities, private concessionaires may be interested in leasing areas and facilities which would be efficient to operate, attractive to the visitors and which would enable them to make a profit.

PROPOSITION: Consolidate/renovate existing recreation areas to improve their efficiency and to thereby make them more attractive.

IMPACT:

a. Federal Burden: Initially, as these areas are consolidated/renovated, there would be an increased expenditure of Federal funds. As these areas are made attractive for concession management, the Federal burden would decrease as O&M of the areas would be accomplished by concessionaires. Concession management also would permit a nominal return to the Treasury from lease fees.

b. Recreation Experience: Renovation certainly and consolidation possibly could improve the quality of the recreation experience. Whether O&M of areas by concessionaires would improve the quality of the recreation experience when compared to continued Corps management would depend upon the personnel and management philosophies of each entity.

c. Natural Resource Base: Renovation of existing recreation facilities should have minor impact on the resources mainly from short-term construction disturbances. Consolidation of areas might result in some existing areas being reclaimed from intensive recreation development and returned to a more natural condition. Consolidation could also result in some areas being expanded in an effort to make them more efficient. Expansion of existing recreation areas as part of the consolidation effort could impact the resource base as presently undeveloped areas would be converted to intensively utilized recreation areas.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST:

Modern and quality recreation facilities in sufficient quantity to produce a reasonable return from fees might encourage concessionaires to agree to operate and maintain Corps recreation facilities. Efficient facilities would reduce O&M costs and attractive facilities would encourage visitation which, in turn, would increase revenue generation. Areas would have to have the potential for significant visitation.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 12: Provide Corps Expertise

SITUATION: Corps currently provides only review of proposed developments on government lands.

PROPOSITION: The Corps make available its design and construction management expertise to the non-Federal entities. The Corps also could provide the specifications on safety design of proposed non-Federal facilities.

IMPACT:

- a. Federal Burden: The impacts on the Federal burden would be minor considering that this is already done to some extent on the majority of work that is submitted to the Corps for review. Employees currently in the government work force could be made available for this work. If this added service helps to encourage non-Federal takeover and operation of Corps recreation areas, there could be an ultimate lessening in the Federal burden.
- b. Recreational Experience: The experience to the visitor would be enhanced by well constructed and designed recreation facilities in both Corps and non-Federal facilities.
- c. Natural Resource Base: No major impacts on the natural resource base are likely as long as the area is managed similarly to the manner managed by the Corps. If additional facilities are constructed there may be adverse impacts.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST: All developers are required to submit their plans to the Corps for approval. There is no incentive for a developer to submit in-progress work for review especially when there are deadlines to meet. A well planned and constructed facility using Corps design and construction management expertise may increase visitation to that facility. Risk management review would identify liability aspects. Timely input by the Corps would provide an incentive to non-Federal entities. Developers may resist the Corps' recommendations on design, construction, and safety standards.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 13: Provide Infrastructure

SITUATION: Currently, non-Federal developers and operators are responsible for constructing all facilities (though cost shared in particular cases), including access roads, parking lots, water and sanitary systems, and other elements of infrastructure.

PROPOSITION: Construct all or part of the facility infrastructure on recreation areas at existing projects to facilitate turning these areas over to non-Federal entities to develop and operate.

IMPACT:

a. Federal Burden: The option would place a heavy initial burden on the Federal government if most new construction was built by the Corps and then turned over to non-Federal entities. The operation and maintenance of those facilities assumed by non-Federal entities would reduce or eliminate the Federal O&M costs. Before the construction began on the infrastructure, an agreement should be signed indicating what the entity would add to the Corps-built facilities.

b. Recreation Experience: Corps planned and built infrastructure would assure that it is of comparable quality to that provided by the Corps elsewhere. Recreation probably would be improved as a result of having more developed facilities.

c. Natural Resource Base: As with any approach that allows or encourages development of areas for recreation, this proposal may adversely affect the natural resources on or adjoining those areas. The takeover of operations by a sponsor interested primarily in recreation rather than in stewardship of all resources, as the Corps is, could result in adverse impacts.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST:

Providing major recreation facilities using Federal funds at no cost to the non-Federal entity could provide an incentive for non-Federal operation. Leasing controls on infrastructure maintenance would be essential so that the non-Federal entity would adequately maintain the Corps facilities. Modification of P.L. 89-72 and/or related regulations would be needed to develop this option.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 14: Allow Private Exclusive Use

SITUATION: Some undeveloped land at reservoir projects, presently retained in a natural state and used for passive low intensity recreation could be suitable for the development of privately owned human habitation structures which are presently prohibited by regulation.

PROPOSITION: Explore proposals to award leases to private entities for development of as multi-family residences (condominiums), recreation cabins, and second homes on lands above the flood pool elevation in exchange for takeover of existing recreation areas. The developer would provide roads and utilities and construct the improvements making an annual payment to the Corps for the development on project lands. The developer would make a profit leasing the facilities.

IMPACT:

- a. Federal Burden: The cost to manage the land outleased for development would increase since the present cost to manage these areas is minimal. Management of the outgranted acres would require administration of the lease including compliance efforts. The outleased lands would provide reduction in Federal O&M costs and would also offset leasing costs.
- b. Recreation Experience: The quality of recreation experience may not change but the type of recreation experience would change from passive enjoyment of natural areas and its flora and fauna to highly developed, high usage areas.
- c. Natural Resource Base: The use of land for this type of development would require a permanent commitment greatly limiting future options to meet changing needs or shifts in administration policy. This option would reduce land preserved in its natural state. In many cases, these developments would be near large metropolitan areas where natural lands would be in the greatest need.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST:

Projects for this type development would best be located either in an existing resort area or within 75 miles of a large metropolitan area. In addition, the parcels should consist of level to rolling land, good public access roads, tree cover and view of the lake. Protective coves where water areas could be provided for boat storage would enhance the developments. Long term commitment of the land would be mandatory to stimulate interest. The lease should prescribe minimum standards for quality, attractiveness, and taste; however, the fewer restrictions placed on the development, the better the chance of finding candidates willing to risk the venture.

OPTION ASSESSMENT PROFILE

OPTION 15: Non-Traditional Recreation

SITUATION: Current policy (ER 1165-2-400, 9 Aug 85) restricts development by others to that which "may enhance the public's ability to enjoy the inherent features of the resources..." (paragraph 5c) and which "does not create negative externalities for Federal interest recreational development." (Paragraph B-3) Thus, many types of recreation facilities which non-Federal operators or potential operators may wish to develop on project lands are now precluded because they are not related to the inherent features of the resources and they are not listed on the "100% other" checklist in Appendix B of the regulation. For example, a bowling alley, electronic game room, movie theater, or miniature golf course probably could not be built under this policy, even at 100 percent non-Federal cost, yet facilities such as these might help to make a recreation area economically viable, and hence attractive, for a non-Federal entity to operate.

PROPOSITION: Revise Corps policy to be more permissive regarding recreational facilities or developments which non-Federal entities may wish to provide on Corps lands.

IMPACT:

a. Federal burden: This could reduce the Federal burden by giving non-Federal entities added incentive to operate and maintain Corps recreation areas. There may be some additional Federal costs for maintaining and policing project lands adjacent to intensive recreation developments, and there may be further costs should a specialized facility be abandoned or turned back to the government and require Federal shutdown or removal. However, with the proper protections built into lease arrangements, there should be a net decrease in the Federal burden.

b. Recreation Experience: Depending on the extent to which the current policy is relaxed, this could result in a quite different character of recreation from what has been traditional at Corps projects. The traditional, resource based recreation probably would suffer in some ways, though some recreationists might prefer the more diverse mix of facilities and types of recreation which might result from this option.

c. Natural Resource Base: The natural resources of projects would be impacted by the opening up of project lands to non-resource based recreation. Presently, most recreation is dependent on the water or related land resources, so recreation development is not directly at odds with the resources. Were recreation development not dependent on natural resources, more resources would likely be displaced as a result of development, and the stewardship of remaining resources would likely suffer as the motivation to coexist in harmony lessened. Further, the increased public use likely with added recreation could indirectly impact on resources away from the immediate recreation area.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST: This option would require changes in Corps policy, and possibly in laws concerning recreation, since it would change the meaning of "recreation" from what has been traditional in Federal resource programs. It might be seen as trading away the Nation's natural resources for commercial development unless handled adroitly.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 16: Lease Entire Lakes

SITUATION: The Corps may have total projects that would be of interest to large commercial development firms or other non-Federal entities for development of recreation, but this approach has not been attempted. Previous efforts have focused on leasing separate recreation areas.

PROPOSITION: Request proposals from non-Federal entities for conversion of entire lake projects (minus the dam and control works) to privately developed, public recreational lakes.

IMPACT:

a. Federal Burden: The government cost of managing park and reservoir lands would be almost totally transferred to lessee except for lease administration.

b. Recreation Experience: The quality of recreation experience would probably remain the same or could be enhanced depending on the private entity's success. Could increase use of project resources.

c. Natural Resource Base: This option would place emphasis on development and economic issues and with little emphasis on environmental issues. Preservation of natural areas and management of fish and wildlife would probably suffer.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST:

Projects for this type lease would probably be either in existing resort areas or close to a large metropolitan area. Long term commitment of the land would be mandatory to stimulate interest. The lease should prescribe minimum standards for quality, attractiveness and taste; however, the fewer restrictions placed on development the better the chance of finding firms willing to risk the venture.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 17: Cost-Sharing-Facilities

SITUATION: Administrative policy (laid out in ER 1165-2-400, Appendix B) currently allows Federal cost sharing on certain types of recreational facilities, but does not allow it on a long list of facilities (generally those which have benefits which are (1) vendible or (2) local in magnitude and involve extensive structural enhancement, or on those facilities which (3) could stand alone without the water resource project). Facilities such as tennis courts, night lighting, and automated irrigation systems are now prohibited from cost sharing, yet local sponsors often insist that they need such facilities in order to have a viable park.

PROPOSITION: Allow Federal cost sharing on a wider range of facilities than currently acceptable so as to provide incentive for non-Federal entities to take over and operate recreation areas.

IMPACT:

a. Federal Burden: The greater outlay of Federal funds presumably would be overcome by long term savings as a result of lesser Federal involvement in operation of recreation areas.

b. Recreation Experience: There should be no significant loss of quality. The greater diversity of facilities which might result should generally enhance the recreation experience.

c. Natural Resource Base: As with any approach that allows or encourages management of an area just for recreation, this proposal to the extent that it is successful in getting others to operate portions of project areas may tend to adversely affect the natural resources on or adjoining those areas. Extending the cost sharing to more facilities could result in more use and hence greater impacts.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST: This option would require changes to Corps regulations, and may, depending on how far the current policy is expanded, require changes to laws.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 18: Lower Lease Costs

SITUATION: Private concessionaires pay rental as either a flat rate determined by appraisal or by a percentage of income through use of the Corps-wide Graduated Rental System. The fixed rent is determined by "fair market value." The graduated rent combines elements of market value with inducements to the developer (concessionaire) to continue development. Non-Federal, public lessees currently pay no rent. Typical rent is approximately 2 percent of a lessee's gross income and usually ranges from \$2,000 to \$30,000 per year.

PROPOSITION: The proposed option if adopted would reduce the rent to provide incentive for non-Federal (private) entities to takeover operation and control of Corps-operated public use areas. Non-Federal, public lessees currently pay no rent, so this option would have no applicability to those groups. This option would be most applicable to larger developers paying higher rents.

IMPACT:

- a. Federal Burden: Federal O&M could be reduced if additional Corps-operated recreation areas could be leased to others. Income to the United States could also be reduced, although the decrease in O&M could offset this reduction.
- b. Recreation Experience: Quality of the recreation experience could decrease as areas formerly operated by the Corps are leased to private developers since operation would be tied into the profit potential. Those recreational items or facilities which are nonprofit or low profit would likely not be maintained to current Corps-maintained levels. Adoption could also result in the concessionaire's utilizing the increased availability of funds to increase development or levels of maintenance, thereby improving the recreation experience.
- c. Natural Resource Base: More intensive development with an associated degradation would be expected. Use of other lease conditions such as minimum standards could minimize the negatives.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST:

Applicable to all existing Corps-operated public use areas. From a practical standpoint, only areas with profit-making potential would be affected since other areas would most likely not be taken over regardless of rent. Market limitations would restrict application to existing well located, heavily used areas with good potential for expansion. As additional areas are leased, development would be limited by market factors, primarily to those items which generate income. There would be pressure from existing concessionaires to apply any rental reduction "across the board" to both old and existing concessions as well as to new lease areas. Adoption would involve modification of ER 405-1-12. Since a reduction of potential rent is proposed, OMB approval might be necessary. Federal law generally requires the collection of fair market rent.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 19: Longer Term Lease

SITUATION: Current regulations governing the leasing of land to private concessionaires limit lease terms to the minimum necessary to accommodate the proposed purpose. Terms are usually limited to 20 years and by regulation cannot exceed 30 years. (A limited number of leases with a 25-year term and a 25-year renewal clause have been approved as special cases.) This lease term can have the effect of discouraging major development since the amortization period is sometimes not sufficient to support the proposed developments. Private financing is also difficult to arrange with the shorter lease terms. Public park leases are routinely issued for 50 years and accordingly do not face this problem.

PROPOSITION: This option would allow the routine issuance of 30-50 year leases. The longer terms would facilitate financing with the potential to increase development on Corps land.

IMPACT:

a. Federal Burden: Federal O&M could be reduced if additional Corps-operated public use areas could be leased to others. The longer lease term would serve as an inducement to this leasing.

b. Recreation Experience: Little anticipated change from the present situation is likely. Adoption of this option could result in some expansion of facilities and an increase in the number and size of facilities since long-term financing should be more readily available given a longer lease term.

c. Natural Resource Base: Adoption of this option could result in expansion in both numbers and size of facilities with the accompanying potential for environmental degradation. The natural resource base will be "locked in" for a longer period with an accompanying loss of Federal control.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST: This option would be applicable to all Corps-operated public use areas. From a practical standpoint, only areas with profit-making potential would be affected since other areas would not be taken over regardless of lease term. Market limitations would restrict application to existing well located, heavily used areas with good potential for expansion and to other areas with a good profit potential. Most likely customers are private developers. Markets permitting, larger, more costly types of development can be anticipated. A disadvantage to the government is that the site, once leased for the longer term, becomes unavailable for alternative uses for the length of the lease. Existing lessees would expect to receive the benefit of the longer terms. Adoption of this option would necessitate some policy and regulation changes although longer lease terms are discretionary.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 20: Allow Lessees More Activities

SITUATION: The current situation provides for the use of a conditional lease which restricts concessionaire (lessee) types of use to "traditional" activities. While the definition of "traditional" has expanded over time to include a wide range of permissible activities and facilities, there continues to be some real and perceived barriers to the ability of developers to pursue some types of expansion.

PROPOSITION: Adoption of this option would expand a lessee's ability to provide any type of recreation or recreation support. Types of facilities could include expanded overnight, food service, automobile service station, sales, and other services. All requirements that development be "water-related" would be removed.

IMPACT:

- a. Federal Burden: Adoption of this option would provide a reduction of O&M expenditures to the extent non-Federals would be willing to assume operation of additional Corps areas.
- b. Recreation Experience: The impacts on the quality of recreation experience cannot be determined in advance. Reduction in restrictions could lead to expansion in quality and type of facilities, thus expanding opportunities. The additional items could be of a type which detracts from the overall attractiveness of the area.
- c. Natural Resource Base: Reduction on restrictions would likely lead to expansion of facilities with associated environmental degradation. Degree of impact and long-term effect are dependent on type of activities ultimately provided.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST: This option would be applicable to all Corps-operated and concession-operated recreation areas. From a practical standpoint, only areas with profit-making potential would be affected since other areas would not be taken over regardless of this flexibility. Market limitations would restrict applications to existing well located, heavily used areas with good potential for expansion. If this option is adopted it would be applicable at both existing areas and to new or prospective areas. Adoption would require modifications to several regulations and policies. There would be more impact from the standpoint of existing concessions wishing to expand their operations than from potential developers of "new" areas.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 21: Remove Reinvestment Requirements

SITUATION: Currently, public park lessees are required to reinvest all generated income on the site, either through O&M or capital improvement. This requirement is institutionalized in the standard lease form.

PROPOSITION: Adoption of this option would remove the requirement to reinvest and allow lessees to profit, if possible, from their operation.

IMPACT:

- a. Federal Burden: Adoption of this option could reduce Federal O&M to the extent it would encourage non-Federal takeover of existing Corps-operated sites.
- b. Recreation Experience: Adoption of this option could result in decline in the quality of maintenance and upkeep. Lessees, once allowed to retain funds could reduce capital and maintenance expenditures with a resulting decrease in site quality.
- c. Natural Resource Base: The impacts would vary depending on lessee's capability. It is unlikely the natural resource base would improve.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST: This option will be applicable to all Corps-operated recreation areas. From a practical standpoint, only areas with a potential public operator would be affected since other areas would not be taken over regardless of this modification. Market limitations would normally restrict applications to existing well located, heavily used areas with good potential for expansion or to areas with a practicable desirability to some potential operator. Adoption would require modification to several regulations and policies. Any modifications would be applicable to both existing and prospective leases.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 22: Advertising Program

SITUATION: The Corps has a product to market just as do motels and commercial attractions. Visitation could be increased by advertising the product to potential users, but presently Corps does not market its recreational resources.

PROPOSITION: Contract with a public relations/advertising firm to conduct surveys to determine target audience and to develop and execute a marketing plan. Increased use would make recreation areas more attractive for non-Federal entities to take over and operate.

IMPACT:

- a. Federal Burden: Initially, advertising would increase Federal cost. Should the marketing program be successful, there would be an increase in fees collected and in the interest of others in taking over recreation areas. Ultimately this could result in a lessening of the Federal burden.
- b. Recreation Experience: The promotional program would not change the quality of the recreation experience unless an excessive number of visitors were attracted and the facilities became overcrowded.
- c. Natural Resource Base: The promotional program should not impact the natural resource base significantly as long as the carrying capacity of the facilities is controlled.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST: Increased revenue resulting from advertising would make Corps facilities more attractive to non-Federal entities. Expenditures for advertising should be controlled, establishing a cost of total fees collected, perhaps a percentage of the prior year fee revenues.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 23: Marketing Programs

SITUATION: The Corps has many highly developed areas that presently produce revenue from fees or that have the potential for revenues from day use. The Corps does not actively promote non-Federal operation of its recreation areas except for requests for proposals for concessionaires.

PROPOSITION: The Corps would develop business plans/market analyses on operating cost, revenue and potential revenues, market areas, etc., on its existing facilities and market the potential opportunities so as to encourage takeover by non-Federal entities.

IMPACT:

a. Federal Burden: There would be some cost involved in developing the marketing plans and contacting potential non-Federal operators. There could be savings if Corps is successful in turning over some areas to non-Federal operators. There would be a loss of user fees collected.

b. Recreation Experience: The quality of the recreation experience should remain unchanged. It could be impacted negatively if the non-Federal operator reduced service levels in order to make a profit.

c. Natural Resource Base: As with any approach that allows or encourages management of areas just for recreation, this proposal to the extent that it is successful in getting others to operate portions of project areas may tend to adversely affect the natural resources on or adjoining those areas. Groups interested primarily in profit probably would not have as great a dedication to stewardship of all the resources as does the Corps, resulting in neglect or loss of natural resources in or around recreation areas.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST: This option will be applicable to all Corps-operated recreation areas. The market analysis developed by the Corps must show profit potential to prospective lessees to be viable. Market limitations would normally restrict applications to existing well located, heavily used areas with good potential for expansion or to areas with a practicable desirability to some potential operator.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 24: University Run Parks

SITUATION: There are a number of colleges and universities offering majors in outdoor recreation that are in proximity to Corps projects. Students could meet internship requirements, conduct research, and receive "hands-on" training under the guidance of an experienced facility. Chico State University, California currently has an outgrant from the U.S. Forest Service to operate a recreation area.

PROPOSITION: Encourage qualified colleges and universities to take over developed recreation areas and staff them with students and faculty. If it is determined that sufficient fees to pay for the O&M cannot be collected, a cost-share arrangement might be made.

IMPACT:

a. Federal Burden: This option has the potential to reduce the Federal burden. Some Federal cost-sharing may be necessary to offset the difference in fees collected and the actual O&M costs.

b. Recreation Experience: The quality of the recreation experience could be enhanced by utilizing enthusiastic students and by using research as a tool to meet public needs. Conversely, the experience could be degraded if research is conducted to the point of interfering with the visitors. The constant turnover of students would also deprive the visitor of experienced, knowledgeable staff.

c. Natural Resource Base: The existing resource base could be enhanced through "state of the art" management practices. If expansion of facilities occurs, the potential for some resource degradation would exist.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST:

Colleges and universities need to be in proximity to the recreation areas to make managing these areas feasible. Income from the collection of fees needs to be adequate for covering the O&M costs or the Corps might need to cost share, thus requiring a change in policy and/or law with a resultant increase in Federal burden. However, universities might assume some of the O&M costs as part of their expense in securing an outdoor laboratory. Unless major changes in development occur, there would be little impact on the resource conditions. Outgranting to a college/university can be done under existing policy.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 25: Foster Local Interests

SITUATION: Chambers of commerce and similar community or regional organizations can be effective in encouraging non-Federal entities to take over Corps recreation areas. These largely business oriented groups can have a good feel for local conditions and their support for the Corps initiative might be of value.

PROPOSITION: The Corps would foster lake, regional and/or community organizations specifically to have them encourage non-Federal and private takeover of Corps recreation facilities.

IMPACT:

- a. Federal Burden: Fostering local organizations would have no impact on the Federal burden. If, however, the local organizations are successful in encouraging recreation area takeover, the Federal burden could be reduced.
- b. Recreation Experience: This proposition would have little or no impact on the quality of the recreation experience.
- c. Natural Resource Base: If successful at effecting non-Federal takeover and operation of recreation areas, this option could result in adverse impacts to natural resources due to a recreation-only focus of the operator instead of Corps stewardship approach to all project resources.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST: To expect local organizations to lobby non-Federal entities to take over Corps recreation areas, the organizations have to be convinced that takeover would be better than the current situation and be able to attract sufficient visitors who, in turn, would spend money at local businesses. This approach, however could backfire in areas where the Corps has a strong constituency and where the Corps enjoys strong local support for their management philosophies and management style.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 26: Swap Recreation Areas

SITUATION: Corps recreation areas are sometimes interspersed with areas managed by non-Federal agencies. Some of these areas are leased Corps property while others are on property owned by the non-Federal entity. Reconfiguring the management of these areas might promote operational efficiencies and could encourage non-Federal entities to agree to manage additional areas.

PROPOSITION: Reconfigure and consolidate management of areas on and adjacent to Corps projects to facilitate operational efficiencies. Overall economy might result in the Corps managing lands and recreation areas presently managed by non-Federal entities in exchange, the non-Federal entity would manage Corps areas.

IMPACT:

- a. Federal Burden: Unless management reconfiguration resulted in the non-Federal entity agreeing to manage a proportionately larger share of the recreation areas, little positive impact on the Federal burden is expected. Reconfiguring could reduce O&M costs for both Federal and non-Federal entities.
- b. Recreation Experience: Operational efficiencies could improve the quality of the recreation experience. Inevitable variations, however in management philosophy would probably affect the quality of the experience to a greater degree.
- c. Natural Resource Base: Little impact is expected unless reconfiguration results in additional development or results in alteration of current Corps stewardship philosophy.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST: Non-Federal interests have to be convinced of the efficiencies of a reconfiguration or of benefits to their constituency. A fair exchange of types and amounts of facilities may have to be worked out to make this option palatable to non-Federal interests because they are also interested in keeping their costs down.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 27: Diversification of Use.

SITUATION: At many Corps projects, recreation is not a specifically authorized project purpose. The authority comes instead from the broad authority of the 1944 Flood Control Act.

PROPOSITION: Congressional authorization is needed to make recreation an equal partner with other project purposes.

IMPACT:

a. Federal Burden: Impacts on the Federal burden would vary. The O&M costs could be decreased to the extent this option results in the takeover of existing recreation areas. This savings, could be offset by a loss of other income sources as a result of elevation of recreation status (i.e. hydropower revenues deferred).

b. Recreation Experience: This option has potential for increasing the recreation experience. This option could result in some expansion of facilities and an increase in the size of facilities if reservoir pools become more stable.

c. Natural Resource Base: This option could result in expansion in both numbers and size of facilities with the accompanying potential for environmental degradation.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST: This type authorization would greatly increase options and make marketing of project facilities to others much easier.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 28: 14 Day Occupancy Limit

SITUATION: Title 36, Part 327.7(b). Provides that camping at one or more campsites at any one water resource project for a period longer than 14 days during any 30-consecutive day period is prohibited without the written permission of the District Engineer. This is enforced on both Corps-operated and outgranted areas. Application of the 14-day limit has been applied to other forms of overnight use such as lodges, cabins, and mobile homes.

PROPOSITION: This option would extend or eliminate the 14-day occupancy limit. Elimination of the limit would increase the length of stay at projects and thus increase the attractiveness of Corps operated areas for non-Federal operation.

IMPACT:

a. Federal Burden: Federal O&M could be reduced if additional Corps operated public use areas could be leased to others.

b. Recreation Experience: In most cases the impact on recreational quality would be nominal. Adoption could result in overcrowding at popular sites but could also increase off-season use. A major disadvantage would be the creation of a situation more conducive to private, exclusive use and to abuse such as semi-permanent or long-term, semi-transient use. A particular concern would be the ability to control permanent or the appearance of permanent residential use.

c. Natural Resource Base: Resulting heavier use could lead to degradation of areas. This could be minimized by design and by proper lease controls.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST: This option would be applicable to all Corps operated and concession-operated recreation areas. From a practical standpoint, only areas with profit-making potential would be affected since other areas would not be taken over regardless of this limitation. Market limitations would restrict applications to existing well located, heavily used areas with good potential for expansion. Some more marginal areas could be enhanced by expanding to accommodate the off season and "snow bird" or seasonal trade. If this option is adopted it would be applicable to both existing areas and to new or prospective areas. Adoption would require modifications to several policies and to Title 36, CFR.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 29: Non-Uniform Fee

SITUATION: Discriminatory fees are not now allowed. Allowing them could provide incentive for non-Federal entities to take over and operate Corps recreation areas.

PROPOSITION: Allow non-Federal governments, non-profit organizations, and private groups that take over and operate recreation areas to charge their residents or members lower fees than are charged to the general public.

IMPACT:

a. Federal Burden: This option would have no direct cost to the Federal government, and could reduce the Federal burden by giving governments and groups added incentive to operate and maintain Corps recreation areas.

b. Recreation Experience: This option could enhance the recreation experience for some users, as use would tend to be more exclusive and limited. "Outsiders" who use the area, however, may enjoy the experience less as their costs would be higher. Tension between "ins" and "outs" could adversely affect the experience for all.

c. Natural Resource Base: As with any approach that allows or encourages management of an area just for recreation, this proposal, to the extent that it is successful in getting others to operate portions of project areas, may tend to adversely affect the natural resources on or adjoining those areas.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST:

Where a recreation area is in or near to a municipality, this option might make it possible for that government to commit tax dollars to operate an area, as it could defuse charges that they would be subsidizing nonresidents' use of the facilities. Concern about divisiveness and charges of illegal discrimination could dissuade operators from implementing a non-uniform fee structure, or could minimize the incentive value of such an option. Discriminatory fee structures for public facilities might be illegal in some jurisdictions.

OPTION ASSESSMENT PROFILE

OPTION 30: Loosen Liquor Restrictions

SITUATION: Current policy found in ER 1130-2-400, paragraph 18, concerning alcoholic beverages states: "in order to preserve a wholesome family atmosphere in the public park and recreation areas of lake projects, the sale, storage, or advertising of alcoholic beverages is not permitted." There are some exceptions to this policy. In areas where it is the custom to dispense malt beverages (beer) and light wines, as defined by the governing state, local laws and regulations in public park and recreation areas, the District Commander may authorize concessionaires or licensed governmental agencies to dispense malt beverages and light wines in a manner that conforms to the standards and atmosphere which the Corps wishes to have maintained on the projects. Additionally, in special cases where the sale of whiskey or other hard liquors is not the primary purpose, but is incidental to major dining facilities such as park hotels, lodges, motel-dining facilities, and clubs, this sale may also be approved. Exceptions have been granted in several cases but the wording of the regulation tends to discourage major hotel/resort types of development.

PROPOSITION: This option would remove or reduce restrictions on the sale of alcoholic beverages. This could have the effect of encouraging those types of developments which utilize food/beverage service as a major income source.

IMPACT:

- a. Federal Burden: Federal O&M could be reduced to the extent non-Federal entities are encouraged to assume operation of additional developed recreation areas. Since alcoholic beverage sales are a high-profit item, lease rents to the government could increase. Liberalization of control on alcohol sales could result in greater potential liability.
- b. Recreation Experience: Increased alcohol sale with the corresponding increase in consumption will result in some degradation of the traditional "family atmosphere." The ability to sell alcoholic beverages could prove a catalyst for additional major resort development.
- c. Natural Resource Base: The potential for expanded major development would result in corresponding potential for environmental degradation.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST: This option would be applicable to all Corps-operated and concession-operated recreation areas. From a practical standpoint, only areas with profit-making potential would be affected since other areas would not be taken over regardless of this modification. Market limitations would restrict applications to existing well located, heavily used areas with good potential for expansion. Local laws and ordinances would actually govern the sale. This option, therefore, would not be available in all locations. Adoption would require modifications to several regulations and policies. Any modifications would be applicable to both existing lease areas and prospective areas. This option would conflict with Corps efforts in the water safety area, where themes such as "Water and Alcohol Don't Mix" are being promoted.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 31: Loosen Lottery Restrictions

SITUATION: Current regulations, ER 1130-2-400, paragraph 25, and the current concession lease form prohibit gambling. Sale of lottery tickets has been determined to constitute gambling and is, therefore, prohibited on Corps land. Corps lessees, both public and private, are not permitted to sell the lottery chances within lease areas.

PROPOSITION: Allow lessees to sell lottery chances in accordance with local laws and ordinances.

IMPACT:

- a. Federal Burden: Impact will most likely be negligible. The option of selling lottery tickets in itself would probably not be enough to induce non-Federal entities to assume operation of additional Corps operated recreation areas. This will provide potential lessees with an additional income source.
- b. Recreation Experience: Impact will most likely be negligible. Adoption, however, could result in some loss of "family atmosphere."
- c. Natural Resource Base: No impact on the natural resource base is anticipated.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST: This option would be applicable to all Corps operated and concession-operated recreation areas. From a practical standpoint, only areas with profit-making potential would be affected since other areas would not be taken over regardless of this modification. Market limitations would restrict applications to existing well located, heavily used areas with good potential for expansion. If this option is adopted it would be applicable to both existing areas and to new or prospective areas. Adoption would require modifications to several regulations and policies. As more states initiate lotteries (there are currently more than 20) the Corps opposition to lottery sales on "moral" grounds becomes harder to justify.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 32: Negotiated Expansion

SITUATION: Many Corps operated recreation areas adjoin existing commercial concessions. It is often practical to allow the adjoining concessionaire to assume operation and control of these recreation areas. Currently, a waiver of competition must be obtained from USACE and fair market rental must be charged the lessee for those government-owned facilities within the area. Larger, higher potential areas are typically excluded from negotiation and instead are advertised.

PROPOSITION: To allow negotiated leasing of Corps operated public use areas to adjacent concessionaires at a negotiated rental rather than in competition, without the necessity of seeking a waiver of competition or advertising the site.

IMPACT:

- a. Federal Burden: Adoption of this option would reduce Federal O&M to the extent that existing Corps operated areas can be leased to non-Federal entities.
- b. Recreation Experience: Adoption of this option could result in a decrease in facilities available for nonprofitable or low-profit activities as lessees convert these activities to higher profit activities. Adoption could also result in an increase of overall concession-provided facilities with the ability to increase or decrease the quality of the recreation experience.
- c. Natural Resource Base: Impact on the natural resource base would vary depending on the scope of development. It would be highly unlikely for adoption to result in improvement of the natural resource base. Degradation to a greater or lesser degree is anticipated.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST: This option would be applicable to all Corps operated recreation areas which lie adjacent to an existing concession operation. From a practical standpoint, only areas with profit-making potential would be affected since other areas would not be taken over regardless of availability. Market limitations would restrict applications to existing well located, heavily used areas with good potential for expansion. Adoption would require modification to policy and regulations. Public pressure and possibly political involvement should be anticipated due to loss of "free" Corps operated areas through conversion of their areas to concession-operated areas.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 33: Land Acquisition Authority

SITUATION: Sufficient government land may not be available for an economic recreational development. However, adjacent private parcels may be suitable for development in combination with government land. Corps does not now have the option of acquiring private property so a non-Federal entity would have room to develop a viable recreation area.

PROPOSITION: Seek legislative authority to allow land acquisition to facilitate recreation development (including the right of eminent domain). This would provide non-Federal entities with adequate lands to engage in potentially profitable recreation activities.

IMPACT:

- a. Federal Burden: The initial costs to the Federal government could be substantial. However, to the extent that acquisition by eminent domain is successful in encouraging non-Federal operation of existing Corps recreation areas, the long term impact could be to reduce the Federal burden.
- b. Recreational Experience: With more lands will come the potential for an increase in recreation facilities. The acquisition of more land could mean more development. The quality of the recreation experience will vary depending upon the nature and extent of development.
- c. Natural Resource Base: Acquisition of more land for development could significantly impact the natural resource base. More development could encourage more people to use the limited project resources.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST: The people that would be most interested in this option would be developers and business people. A strong lobby would possibly be formed by local chambers of commerce or other organizations. Current law and project purposes would have to be changed. Public opinion would be one aspect which would need to be investigated. Some existing projects were built with the understanding that the project would bring in a lot of money through agreements with cooperating utilities and through tourism. There may be opposition to any eminent domain authority because Corps is supposed to be excessing existing Federal lands.

OPTION ASSESSMENT PROFILE

OPTION 34: Use of Other Federal Funds

SITUATION: Under the cost sharing principles established by the Federal Water Project Recreation Act of 1965 (P.L. 89-72), and the WRDA of 1986 (P.L. 99-662), recreation developments may be cost shared on a 50 percent Federal/50 percent non-Federal basis. Accordingly, current policy precludes non-Federal public entities' using other Federal funds/grants for cost sharing with Corps.

PROPOSITION: Allow non-Federal public bodies to use other Federal funding sources to cost share recreation development with Corps as an incentive to their taking over and operating existing recreation areas.

IMPACT:

a. Federal Burden: Under this option, it is conceivable that new or expanded recreation development could be provided at Corps projects at 100 percent Federal cost. This does not mean that the Federal burden would necessarily be increased, as there could be operational savings resulting from non-Federal entities' taking over recreation areas. This option would allow the non-Federal public flexibility in its use of other Federal funds/grants available for recreation development, and make takeover of recreation areas more likely.

b. Recreation Experience: In terms of additional or expanded recreation development that this approach may offer the non-Federal public sector, it is assumed that a need for additional recreation facilities exists. Therefore, any recreational development provided the public would have a favorable impact on the quality of the recreation experience. This is particularly important when considering that the Corps is precluded from providing needed additional recreation facilities directly without cost sharing.

c. Natural Resource Base: As with any approach that allows or encourages development of an area for recreation pursuits, this proposal to the extent that it is successful in getting others to manage and expand development at existing Corps operated recreation areas may tend to adversely affect the natural resources on or adjoining those areas.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST: There are 2507 existing recreation areas presently operated by Corps. Each of these areas has been developed in varying degrees supporting a wide array of public recreation opportunities. This array of opportunities provides non-Federal public entities various choices to satisfy local recreation needs. Current policy encourages the non-Federal public sector to take over these existing areas, allowing these entities to use other Federal funds/grants for cost sharing recreation development with the Corps would provide an added incentive. It would give the non-Federal entity flexibility in establishing its priorities for the use of the funds. Institutionally, implementation of this proposal would require a change in law since both P.L. 89-72 and P.L. 99-662 require that recreation facility developments be shared at least 50 percent by non-Federals. The success of this proposal would be dependent upon a marketing strategy and an internal acceptance by the Corps to market its operated areas.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 35: Members Only Development

SITUATION: Current policy does not allow the operation of Corps developed recreation areas by "private" or "not for profit" organizations which limit use only to members of their organization.

PROPOSITION: Allow outgranting of developed recreation areas to organizations which may limit use of the recreation areas to "members only," providing the organization's members pay all the O&M costs.

IMPACT:

- a. Federal Burden: This option has the potential to reduce the Federal budget to the extent that existing areas would be operated by organizations.
- b. Recreation Experience: The general public would be deprived of opportunity for recreation at these areas. For those who are "members," the quality of the recreation experience may be enhanced because of this exclusivity.
- c. Natural Resource Base: No change in the natural resource base is anticipated if the area is managed to present Corps standards. If additional facilities are allowed, then some degradation could be expected.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST: A nearby metropolitan area would provide the greatest source of interested organizations. Organizations with sufficient capital or with the capability of raising capital to sustain the O&M costs would be the only ones able to enter into an outgrant. Development would be governed by the type and finances of the "members only" organization. Existing modern facilities with good access would have the greatest attraction to potential organizations.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 36: Equitable Recreation Fees

SITUATION: Currently the Corps charges use fees for camping and some special use fees, such as group picnic shelters, special events, etc. Fees are not charged for such day use activities as picnicking, hiking, boating, swimming, biking, skiing, snowmobiling, etc. Entrance fees are prohibited by law.

PROPOSITION: Ensure that the Corps' recreation fee structure does not undercut private/non-Federal competition. This may require the Corps to start charging day use activity fees.

IMPACT:

- a. Federal Burden: The Federal burden would be reduced with additional fees generated. This could also encourage greater participation by non-Federal entities, thereby reducing the Federal burden even further.
- b. Recreation Experience: This option would preclude the use of day use areas to those that could not afford the use fees. It has the potential to enhance the experience of those using day use areas because an additional measure of safety and security is provided by restricting access to these areas.
- c. Natural Resource Base: This option could result in expansion of facilities with some degradation of natural resources. It has potential for enhancement as access is restricted and closer monitoring of behavior is possible. It can also be used as a management tool to deter overuse.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST: This option could be applied to all day use areas where the costs of collecting fees would be less than the fees collected. Some visitation may decrease, particularly in metropolitan areas where fees may preclude the use by some visitors. It could encourage greater participation by non-Federal entities as there would be no unfair competition from Corps non-charging areas. Access restrictions would need to be provided to enable enforcement of the fees, which may have an influence on traffic patterns. This option would require a change in law governing charging for day use and the restrictions regarding the need to provide a "free" campground at projects where fees are charged at other campgrounds.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 37: Eliminate Free Camping

SITUATION: At each project where the Corps operates campgrounds and charges fees for use of campgrounds, it has the requirement to provide a free primitive camp for those not desiring to pay the fee. This requirement is largely a nuisance and impacts revenue generation.

PROPOSITION: Eliminate the requirement for free camping.

IMPACT:

a. Federal Burden: Elimination of free camping would nominally increase user fee revenues. It also would improve Corps O&M efficiency as many free campgrounds are havens for counter-culture individuals and groups which require an inordinate amount of staff time when compared to "regular" campers. Elimination of the free camping requirement probably would not act as an incentive for encouraging non-Federal entities to take over Corps areas unless the previously free area could be upgraded and made more attractive.

b. Recreation Experience: Elimination of the free camping requirement would improve the quality of the recreation experience. Many people seeking free camping opportunities are not seeking a recreation experience but rather a cheap place to live. The lifestyle of many of the "free" campers tends to detract from the recreation enjoyment of "legitimate" campers. With the elimination of free camping, the primitive camping area could be renovated which would improve the quality of the recreation experience.

c. Natural Resource Base: Elimination of free camping could result in the abandonment of the primitive campground and the return of the area to its natural environment. Should the primitive campground be selected for renovation, there could be short or long term environmental impacts depending upon the extent of the renovation.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST:

Non-Federal interests have to be convinced that Corps recreation areas are efficient to operate and would attract fee paying visitors in sufficient numbers to significantly offset operational expenses and possibly generate a profit. Elimination of free camping might encourage increased interest in management of other areas at a project since the unfair competition of free sites would be eliminated. Elimination of the free camping requirement might make the area more conducive to family use by reducing the attractiveness to counter-culture individuals which then may influence the decision by non-Federal interests to operate Corps recreation areas.

CORPS OF ENGINEERS RECREATION STUDY

OPTION ASSESSMENT PROFILE

OPTION 38: Corps Operation of Turnback Areas

SITUATION: Current regulations require the Corps to close any recreation area managed by non-Federal interests should the non-Federal interest decline to continue to manage the area. The Corps can operate turned back areas only if it can be proven that the area can be operated efficiently and that there would be a reduction or at least no increase in the O&M expenditures.

PROPOSITION: Allow Corps management of turned back recreation areas to encourage other potential lessees. An actively utilized recreation area is more likely to attract potential lessees. A mothballed facility could indicate a facility which is unattractive and might have had insufficient public use to offset operational expenditures.

IMPACT:

- a. Federal Burden: Until another sponsor can be obtained, the Federal burden would increase as the Corps would be operating and maintaining previously outgranted areas. This increase would not be as great as it might appear on the surface since there are certain costs just to maintain an area in mothball status. Should this proposal be effective in attracting a new non-Federal lessee, the overall impact would be positive in reducing the Federal burden.
- b. Recreation Experience: Maintaining operational continuity by not closing turned back recreation areas would be a positive impact. Closed areas are susceptible to increased vandalism and reflect poorly on Corps managerial ability. Mothballed facilities detract from the recreation experience when the visitor sees the facilities but is unable to enjoy them.
- c. Natural Resource Base: This proposition would have minimal impact on natural resources.

CONDITIONS NECESSARY FOR FAVORABLE NON-FEDERAL INTEREST: Implementation of this proposition might result in another non-Federal entity agreeing to take over a turned back facility. If the proposition is not implemented, the closed facility might discourage other non-Federal entities from considering operation because of a perception of public undesirability.

**U.S. ARMY CORPS OF ENGINEERS
RECREATION STUDY**

VOLUME II: APPENDIX G

Survey of Interested/Impacted Organizations Report

Contract No. DACW72-86-D-0012
Task Order 0008

U.S. Army Corps of Engineers
Humphreys Engineer Center Support Activity
Fort Belvoir, Virginia

Final Report:

U.S. ARMY CORPS OF ENGINEERS RECREATION
STUDY:

A SURVEY OF INTERESTED/IMPACTED
ORGANIZATIONS

May 3, 1990

FINAL REPORT

U.S. ARMY CORPS OF ENGINEERS RECREATION STUDY: A SURVEY OF INTERESTED/IMPACTED ORGANIZATIONS

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FINAL REPORT

U.S. ARMY CORPS OF ENGINEERS RECREATION STUDY: A SURVEY OF INTERESTED/IMPACTED ORGANIZATIONS

EXECUTIVE SUMMARY

The Greeley-Polhemus Group, Inc. (GPG) was contracted by the U. S. Army Corps of Engineers (Corps) to perform the survey effort of the Corps overall study to identify and evaluate options for operating and maintaining public recreation opportunities at Corps recreation areas. Five questionnaires were developed and targeted towards five representative groups: non-Federal public agencies; Corps concessionaires; resort developers and non-Corps concessionaires; other service providers; and users and conservationists. To implement the survey the telephone technique was used. Approximately 50 percent of GPG's original contact lists resulted in completed surveys. Following is a brief summary of the survey results.

Non-Federal Public Agencies

Over 100 surveys were completed with individuals representing non-Federal public agencies with an emphasis placed on contacting state and county agency personnel. Due to the nature of the groups we contacted with this questionnaire, nearly all of these agencies operate and maintain their own park facilities.

In addition, almost 75 percent of these agencies are interested in acquiring additional land to meet recreation and open space needs. However, with fiscal concerns facing nearly every state and county with whose representatives we spoke, it is unlikely that many will be willing to add new recreation demands to their budgets. When asked if their agency would be willing to cooperate with the Corps in providing O&M at Corps recreation areas, most implied that they would be willing and able, but the lack of available funds would make this approach prohibitive. With total Federal funding as an incentive, however, most respondents felt that their agency would welcome the opportunity.

A cooperative effort between the Corps and a non-Federal public agency would have both benefits and drawbacks. The primary benefits identified by respondents include the ability to provide more recreation opportunities to the public, more efficiency in providing operation and maintenance needs, and a greater responsiveness to local recreation needs. On the other hand, the drawbacks of such an effort discussed by the respondents, focused on the increase in bureaucracy resulting from another layer of government, the lack of state and local funds to be committed to this effort, the lack of a long-term Federal funding commitment, and a conflict of management philosophies between the various agencies.

Corps Concessionaires

A variety of Corps concessionaires were contacted for purposes of this study. A good portion of those contacted were small, privately owned businesses, and all are currently under some type of lease agreement with the Corps to operate their business. Represented were those with full-service marinas, slip and dock rentals, campgrounds, R-V parks, and a few with lodges and restaurants.

Only a few of those surveyed are dissatisfied enough with their relationship with the Corps that they would consider relinquishing or not renewing their lease agreements. However, there are many areas within this relationship which in general many feel needs improvement. The majority of those interviewed have a good understanding of the problems they face, and the possible solutions.

Some of the main concerns include lease agreements, the lack of autonomy, and the direct competition with the Corps confronting some concessionaires. Although the "typical" 20 or 25 year lease agreement is satisfactory, the lease renewal procedures are not. Not knowing until the lease expires whether or not it will be renewed prevents the concessionaire from making capital improvements to his/her operation. At times, "overwhelming" bureaucracy, according to these respondents, and strict government standards imposed by the Corps handicap the concessionaires in their ability to provide the quality of services and facilities they would like. And in other cases, concessionaires find themselves directly in competition with a Corps managed area which they feel is subsidized by their tax dollars.

Resort Developers/Non-Corps Concessionaires

The responses to this questionnaire reflect the attitudes of resort developers and concessionaires towards potential private operation and maintenance of Corps recreation facilities. Approximately half of the surveys represent resort developers, marinas, campgrounds and other services in currently operating public areas.

Four essential elements required for resort/recreation project development on public lands were identified by the majority of respondents. First, prime scenic location was identified by 75 percent of the developers/concessionaires as essential to successful development. Secondly, since private developers would have an underlying profit motive, it is not surprising that 72 percent of the respondents felt that a revenue potential was essential. In addition, 58 percent felt that a long term lease agreement and a financial package were important. And last, fifty-eight percent (58%) of the developers felt that a favorable lease period would be an incentive to induce development. However, tax breaks, grants and government subsidies were not identified as incentives by the majority of respondents.

The respondents identified two disadvantages of development on public lands recurred throughout the surveys: (1) the lack of fee simple (private) ownership of the land, and (2) the bureaucracy and red tape involved with dealing with the government. The overall consensus finds, however, that the resort developers/concessionaires feel that private developers can and should provide operation and maintenance within public recreation areas.

Other Service Providers

This group of survey respondents consists of private campground owners and RV park operators. Very few of them have ever operated their business in any way other than as a private venture; however, fifty-four percent (54%) of them claim that operating near a public recreation area is an advantage to their business. The "draw" provided by the recreation area provides them with a ready-made market. Although this presents a potential economic opportunity to the private business operator, a large portion of respondents claim that government concessionaires or direct government provision of the same services as they provide have taken away the advantage of being located near a public recreation area. Thirty-three percent (33%) responded that government concessionaires were a disadvantage to their operation, and fifty percent (50%) feel the same about direct government involvement.

This claim is largely supported by the response of fifty-four percent (54%) of these providers that the Corps' fee structure prevents them from charging the fees they otherwise could charge. Many of these respondents continue to explain that since Corps and other public agencies are subsidized, there is no need for them to recover costs. The lower fees and charges levied by public agencies certainly attract all of the campers, and they manage to get the overflow customers.

Users/Conservation Groups

The members of this survey group represent a variety of user and conservation groups. Many of those questioned classify themselves as both user and conservationist, and approached the survey from both perspectives.

The survey results indicate that it is quite difficult for the general public to determine which public agency operates a particular recreation area. Generally, it is felt that public agencies provide the most attractive, efficient, and least costly facilities, but which agency and whether or not a private concessionaire is involved often goes unnoticed by the user. In contrast, the majority of respondents suggest that recreation services provided by private providers are of higher quality, though more costly than those provided by the public sector.

Few limitations were placed by these respondents on the type of recreational services and facilities that should be allowed in a public recreation area. Facilities and services which encourage the enjoyment of the natural surroundings were fully supported. On the other end of the spectrum were commercial type resort development projects which are not favored by a majority of users and conservationists; however, resort projects which blend well with the environment and encourage the enjoyment of the out-of-doors were generally approved. The one limitation most often voiced to recreation or resort development of any kind, is that no project should be allowed which would cause significant damage to the environment.

Summary of Major Findings

The general results of the surveys that were conducted for this project are presented here. These findings are based on a review of the response frequency of respondents and are presented as composite reactions of the various interests. These results reflect the perceptions, attitudes, and opinions of a representative sampling of the survey groups.

- o Both state and local public agencies as well as private sector providers of recreation view themselves as capable of and willing to provide recreation services and facilities at Corps areas. However, for this alternative to be implemented, Federal funding would be required by public agencies, and favorable lease arrangements would have to be established with the private sector. The degree of private sector involvement is dependent on the profit potential of the opportunity. For example, providing O&M for "primitive" recreation services, such as hiking trails in wilderness areas, would not be of interest to private sector providers.
- o Users generally are indifferent with respect to the source of operation and maintenance for recreational services and facilities. The quality of O&M provided is more important to them than the public or private sector providers.
- o The user fee policy of the Corps has fostered a competitive situation between the Corps and other providers of similar recreational opportunities. This is acknowledged by a majority of private providers who claim the Corps (and other public providers as well) has undercut their profitability by providing better facilities at lower rates to the user. If the Corps were to increase user fees, they believe, it would not only establish a more equitable relationship between them and other providers, but could also be a source of new funding to cover O&M outlays. (The outcome of this concept, however, would result in reduced recreational opportunities.)
- o Additional bureaucracy resulting from a cooperative arrangement with both the private sector and other public agencies is a universal concern. An added layer of government, such as cooperative Federal and State approach, would most likely increase paperwork, add

regulations, and hinder the overall process. The private sector, more sensitive to the "time is money" concern, prefers dealing with as little government as possible.

- o Although current Corps concessionaires are satisfied with their relationship with the Corps, there are several concerns they would like to have addressed by the Corps. They believe: (1) lease agreement periods should be longer in length or the process of lease renewal should be altered to inform concessionaire in advance if leases are to be renewed. This would allow concessionaires to commit more capital improvements to businesses; (2) Corps standards are too complex and inconsistent to be effectively dealt with by a small business operator. The concessionaires would like more autonomy, allowing them to expand and enhance their operations if it is deemed appropriate; and, (3) generally current Corps policy discourages and hinders expansion and improvement of concessionaire operations.
- o Large-scale providers of recreation (i.e., resort developers and firms providing leisure services) are anxious to explore the possibilities of utilizing their resources to provide recreational opportunities at Corps areas. In order to support and justify capital improvement expenditures, long-term or automatically renewable lease agreements, are essential elements to a cooperative effort with this group of providers. Also essential to them is a large degree of freedom and flexibility to be able to provide what the consumer demands.
- o Users and conservationists are not vehemently opposed to large-scale development of recreation areas; however, most are opposed to commercial-oriented resort/convention centers. A consensus of the respondents agree that allowing a resort development which would encourage the enjoyment of our natural environment would be acceptable. A consensus also states that under no circumstance should a resort development project be allowed to pose a significant threat or danger to the environment or our natural resources.
- o Many state park programs are implementing innovative sources of funding which are proving successful. This would indicate that at least partial alternatives to current Federal funding can be found that are acceptable to taxpayers.
- o The Corps of Engineers is recognized as a key in providing operation and maintenance in many areas, which explains the 82 percent survey response rate. Significant benefits are recognized where the Corps is a catalyst for state funding and a protector of environments.

FINAL REPORT

U.S. ARMY CORPS OF ENGINEERS RECREATION STUDY: A SURVEY OF INTERESTED/IMPACTED ORGANIZATIONS

1.0 INTRODUCTION

The Corps of Engineers (Corps) is currently the second largest recreation management agency in terms of visitor days, in the Federal Government. While this mission has become one of the most politically powerful missions of the Corps, the cost of operations and maintenance (O&M) of these recreation areas has steadily increased. With the continuing need to reduce the Federal deficit and the current administration's policy to preserve open space, it is essential that a balanced approach be established that will be in accord with both of these goals.

1.1 Purpose of Project

The Corps has been directed to identify and evaluate options for maintaining or enhancing the public recreation opportunities at Corps' recreation areas while reducing Federal outlays.

Categories of options to be identified and evaluated include:

- o Involvement by state and local government agencies.
- o Expansion of the participation of concessionaires and private developers in providing recreational facilities.
- o Expansion of user fees or other revenue programs.

Several approaches would be used in collecting the data necessary to identify and evaluate the management options. These approaches would include a survey effort to elicit views and innovative ideas from a wide spectrum of individuals; one-on-one interviews with those known to have valuable information and expertise; literature reviews; and, discussions with other Federal agency providers of recreation.

1.2 Role of The Greeley-Polhemus Group, Inc. (GPG)

The Greeley-Polhemus Group, Inc. (GPG) is under contract to the Corps of Engineers to perform the tasks necessary to complete the organizational survey of the overall information gathering effort. The primary objective of this research is to determine attitudes, opinions, and perceptions of representatives from the various agencies and groups which could be impacted by alternative management strategies or programs.

A frequency analysis of the general trends in the survey findings has been performed. The results of this analysis are discussed in Section 4 of this report. The results are not intended to be a statistical sample, but rather a comprehensive analysis of recurring trends in opinions and perceptions. The results are intended to assist in guiding the Corps in establishing a recreation policy that is compatible to its mission of providing the public with quality recreational opportunities while reducing Federal outlays.

2.0 SURVEY APPROACH

2.1 Use of Telephone Survey

After consideration of possible survey approaches, including the use of telephone and mail, the telephone approach was determined to be the most effective. This decision was made because a telephone survey offered flexibility and would probably produce a higher response rate (successfully completing as many

surveys as possible). The telephone survey could be easily and quickly evaluated and adjusted, if necessary, to achieve the project objectives.

2.1.1 Letter of Introduction

The first step of the survey effort was to send a letter of introduction to each potential respondent prior to being contacted by a member of the survey team. The intent of the letter was to familiarize the potential respondent with the project and to encourage his/her willingness to participate. A copy of this letter is included in Appendix A.

The usefulness of this letter was a function of the amount of time which elapsed between receipt of the letter by the respondent and the telephone survey call. If the call was made within two or three weeks of receipt of the letter, the respondent generally recalled the letter and was somewhat familiar with the project. These respondents generally agreed more readily to participate in the survey. If more than three weeks elapsed, the potential respondent generally did not recall receiving the letter, and although they usually agreed to participate, there was more explanation of the project required during the initial stages of the telephone conversation.

2.2 Development of Questionnaires

It was determined through discussions between GPG and the Corps that five different questionnaires would be necessary in order to get the needed information from representative groups. The questionnaires were developed for the five following target groups:

- o Non-Federal Public Agencies
- o Corps Concessionaires
- o Resort Developers/Non-Corps Concessionaires
- o Other Service Providers
- o Users/Conservationists

The questionnaires were developed with several goals in mind: first, to get an overview of current practices used by non-Federal public agencies and private sector providers of recreation; second, to identify areas of opportunities for joint involvement between the Corps and other providers, or to identify obstacles that could prevent joint involvement; and third, to uncover unique and innovative O&M ideas which others are implementing and could possibly be put into practice at Corps recreation areas. All of these goals are supportive of the objectives established by the Corps for initiating their overall study effort in establishing a "forward looking posture on recreation".

The questionnaires were developed by GPG. Following review, comments and suggestions from Corps' personnel and others were incorporated into the final questionnaires. Comments were solicited from several outside sources, including members of the Interstate Conference on Water Policy (ICWP) and other individuals who were used as a "test" group. A copy of the final version of each questionnaire is included in Appendix B.

The following section describes the contents of each of the five questionnaires.

2.2.1 Non-Federal Public Agency Questionnaire

This questionnaire was used to survey representatives from state and local (i.e. county/municipality) public agencies. Based on an individual's knowledge of an agency's policies and positions and on their own perceptions, the questionnaire attempted to identify an agency's ability, interest and willingness to increase

their involvement in the O&M of Corps recreation areas. The questions also addressed concerns, benefits, and drawbacks that may accompany a partnership between the Corps and a non-Federal public agency.

2.2.2 Corps Concessionaires

The group of concessionaires who provide services to the Corps consists of private providers of recreation who currently lease property and operate their business within Corps recreation areas. The intent of the questionnaire was to identify Corps regulations or policy issues which positively or negatively impact the concessionaire.

2.2.3 Resort Developers/Non-COE Concessionaires

This questionnaire was used to survey developers of resort opportunities and concessionaires affiliated with public agencies other than the Corps. The questionnaire was designed to identify the criteria these business people would require if considering the development or establishment of their facilities or services within a Corps recreation area. It also assisted in identifying any obstacles perceived by a resort developer or non-Corps concessionaire to a relationship with the Corps.

2.2.4 Other Service Providers

Other service providers refers to strictly private operations which provide recreational opportunities. These providers own their business as well as the land on which they operate. Their only connection with a public recreation area may be their location in proximity to one. In this case, the policies and operations of the public area may impact their business. The survey questions asked of this group were used to determine their views. The questions also identified any government restrictions or requirements which would prevent them from seeking a contract to allow them to provide their service in a public area as a convenience.

2.2.5 User/Conservation Groups

Questions for representatives of user groups and conservation groups were designed to determine their perceptions and attitudes regarding the O&M of public recreation areas. Individuals were asked to respond to questions regarding who provides the highest quality, most efficient and least expensive services and facilities. They were also questioned about what types of recreational activities should or should not be allowed in public recreation areas.

3.0 ORGANIZATIONS AND CONTACT NAMES FOR SURVEYS

In order to conduct the survey phase of this project, it was necessary to have available an extensive listing of individuals who potentially would be able to offer their insights into the issues. Because it is the intent of this survey to reveal the perceptions, attitudes, and opinions of individuals representing a broad range of backgrounds, experience, and interests, it was necessary to identify a representative group of agencies and associations which could provide contact names.

Several approaches were used to organize the contact lists. A valuable resource was the Encyclopedia of Associations, which identified numerous organizations representing individuals with interests coinciding with the objectives of this study.¹ Suggested lists of contacts from the Corps were useful, as were

¹Burek, Deborah M., Karen E. Koek, and Annette Novallo (editors). 1990. Encyclopedia of Associations. Gale Research, Inc., Detroit.

professional contacts with whom we spoke. The following discussion provides a breakdown of the source of contact names used for each of the five questionnaires.

3.1 Non-Federal Public Agencies

Representatives of non-Federal public agencies were identified through professional associations and state agency directories. Contact lists were obtained from the following organizations:

- o State Park Directories
- o State Tourism Directories
- o National Association of County Park and Recreation Officials
- o National Association of State Park Planners
- o National Society for Park Resources
- o National Association of State River Conservation
- o Interstate Conference on Water Policy

At least 175 potential contacts were selected from the above lists. The majority of names selected for the non-Federal public agency questionnaire represented state and local park and recreation agencies. Additional names were provided as referrals by those surveyed.

3.2 Corps Concessionaires

Lists of Corps concessionaires were supplied by the Corps. All Corps Districts where concessionaires are used to provide recreation opportunities were represented by these lists. At least 150 names were selected from these lists as contacts for this questionnaire. Additional names were suggested by those who participated in the survey effort.

3.3 Resort Developers/Non-Corps Concessionaires

The majority of contacts representing resort developers were supplied by the American Resort and Residential Development Association. Members from this association are affiliated with major resort development corporations, camp resort operations, and vacation ownership projects.

Non-Corps concessionaire lists were acquired through the National Park Service Directory of Concessioners. Names were randomly selected from this directory as potential respondents with an effort to have a group evenly distributed both geographically and by areas of service.

Although the original list of contacts fell short of a goal of 150, the individuals contacted for this survey effort were adequately representative of resort developers and non-Corps concessionaires.

3.4 Other (Ancillary) Service Providers

A list supplied by the National Campground Owners Association comprised a substantial part of the contact names for the Other Service Providers questionnaire. Additional names were supplied by participants in the survey effort. At least 50 individuals were included in our contact list for this group.

3.5 Users/Conservation Groups

Since associations are very reluctant to give out names of their membership, acquiring names to represent this group proved to be most challenging. As a result, some associations agreed to supply the

names of their officers and directors for inclusion in the survey effort. Groups of users and conservation organizations represented in this study include the following:

- o National Audubon Society
- o National Wildlife Federation
- o Trout Unlimited
- o Winnebago-Itasca Travelers
- o Interstate Conference for Water Policy
- o Natural Resources Defense Council
- o Appalachian Mountain Club
- o National Campers and Hikers Association
- o U.S. Boardsailing Association
- o Upper Mississippi River Conservation Commission

Approximately 150 names were included in the contact lists, representing users and conservation groups.

4.0 FREQUENCY ANALYSIS OF SURVEY RESULTS

From a contact list which was comprised of 698 names, a total of 351 surveys, or fifty-one percent (51%) were completed. An additional 24 telephone calls were completed. However, the results of these calls were not usable in the survey analysis. In these cases either the individual contacted was not willing to cooperate or, the survey was only partially completed. The largest group represented by the completed surveys are the non-Federal, public agencies, with thirty-four percent (34%). The complete breakdown of survey completion is as follows:

	<u># of Surveys Completed</u>	<u>% of Total</u>
Non-Federal Public Agencies	121	34 %
Corps Concessionaire	93	27 %
Resort Developer/ Non-Corps Concessionaire	36	10 %
Other Service Providers	24	7 %
Users/Conservation Groups	<u>77</u>	<u>22 %</u>
TOTAL	351	100 %

Although the non-Federal public agencies and Corps Concessionaires have greater representation in the survey effort, this should not be construed as an unwillingness or uncooperativeness within the ranks of the other groups. Primarily the difference is a function of two factors: first, an emphasis placed on acquiring responses from these two groups, and second, a greater volume of available contact names. The tabulation below is a summary of the contact lists, number of completed calls, and an approximate number of telephone calls required to complete the survey effort, for each of the five questionnaires.

SUMMARY OF CONTACT LISTS/COMPLETED SURVEYS

	<u>Original Contact List</u>	<u>Completed Surveys</u>	<u>Unwilling/ Not Usable</u>	<u>Not Available</u>	<u>Approx.No. Phone Calls</u>
Non-Federal Public Agency	209	121 (58%)	4 (2%)	84 (40%)	382
COE Concessionaires	197	93 (47%)	8 (4%)	85 (43%)	492
Resort Developers/ Non-COE Concessionaires	85	36 (42%)	4 (5%)	45 (53%)	139
Other Service Providers	54	24 (44%)	2 (4%)	28 (52%)	72
Users/Conservation Group	<u>153</u>	<u>77 (51%)</u>	<u>6 (3%)</u>	<u>71 (46%)</u>	<u>299</u>
Total	698	351 (51%)	24 (3%)	323 (45%)	1,384

The remainder of Section 4 is a summary of the frequency analysis performed on the survey results. These data are presented in detail in Appendix "C" of this report.

4.1 Non-Federal Public Agencies

4.1.1 Characteristics of Response Group

A total of 121 surveys have been completed with individuals representing various non-Federal public agencies. State and county officials comprise the largest portion of this population. A breakdown of the number of respondents from each agency type is shown in Table 4-1.

TABLE 4-1
RESPONSES BY AGENCY TYPE

State Agencies	80
County Park & Recreation Dept	37
Regional Park Department	1
Academic Community	2
Other Federal Agency	<u>1</u>
Total Responses	121

The largest group of survey respondents, state agency personnel, come from a variety of backgrounds, including directors of state park and recreation agencies, state tourism personnel, and those affiliated with departments of environmental resources or protection. All but four directors of state park systems are represented in the survey results. Most of these individuals took the time to complete the survey themselves, and in other cases assigned a member of their staff to complete the survey. Two of the four states not participating in the survey have no Corps recreation areas in their states; the other two did not respond to numerous telephone calls.

Fifty percent (50%) of the agencies represented currently lease land from the Corps for recreation or open space purposes. Due to the nature of the groups contacted, nearly all of these agencies operate and maintain their own park facilities. Nearly seventy-five percent (75%) of these agencies are interested in acquiring additional land to meet recreation and open space needs. Ninety-three respondents felt their agency would like to acquire these additional lands through purchase. However, sixty-two said they would be interested in a lease arrangement as well.

4.1.2 Impact of Corps Fee Policy on State/Local Fee Policy

Currently, the Corps primarily charges fees only for camping facilities at its recreation projects. Concern has been expressed that this policy has hindered the ability of state and local park agencies to levy entrance fees or user fees at recreation areas in close proximity to a Corps area. When asked about this situation, only ten percent (10%) responded that the Corps' policy did adversely affect their ability to charge the fees they would like to charge. Although this is a low percentage, these individuals felt strongly about this "unfair" situation. Follow-up remarks often referred to the element of competition which now exists between the agencies. One state agency official stated that they can definitely attribute the decline in use of one of their parks to the fact that they charge fees and the Corps does not.

4.1.3 Constraints in the Management of Public Recreation Areas

The survey results indicate that there are very few legal, financial, or philosophical constraints that govern the management of recreation areas provided by state or local agencies. Eighty-two percent (82%) of the agencies, while ultimately responsible, are able to use private contractors to provide operation and maintenance needs at their facilities. Similarly, seventy-eight percent (78%) can, and many do, use private concessionaires to provide recreational opportunities.

Even though sixty percent (60%) of those surveyed acknowledge no legal, financial, or philosophical constraints within their agencies preventing them from developing resort facilities within their public recreation areas, very few are considering the development of a resort project. This is largely due to concern over public attitudes regarding this type of project. A recent study performed by the Pennsylvania Department of State Parks documents this public concern in that state. Twenty percent (20%) of the agency personnel surveyed feel that their agency has philosophical constraints to allowing resort developments within their state park system.

The collection of fees and charges has become an acceptable approach to funding operation and maintenance needs within state and county park systems. Sixty-five percent (65%) of the responses claim no constraints to the use of fees and charges. Another twenty-three respondents, or nineteen percent (19%), mentioned legal constraints to the practice of charging fees. In a majority of cases these constraints refer to the procedure used in raising fees, or to laws which provide that the fees collected must be placed in a fund for the operation and maintenance of park and recreation needs. This would indicate that a much larger percentage than the 65% do have the ability to charge fees to the public for use of recreation areas.

4.1.4 Willingness to Participate O&M

Table 4-2 indicates the areas which the respondents felt that their agencies would be willing to participate in Federally-owned recreation projects. It should be explained that the survey participants were asked to give their professional opinion to this question, and not try to guess their agency's "official" response. One percent (1%) of the respondents felt that this question was not applicable to their situation.

TABLE 4-2
WILLINGNESS TO PARTICIPATE IN
FEDERALLY-OWNED RECREATION AREAS

	<u>Yes</u>	<u>No</u>	<u>Don't Know</u>
o Technical Assistance	82 %	13 %	4 %
o In-Kind Services	66 %	23 %	10 %
o Partial Financial Responsibility for O&M	52 %	39 %	8 %
o Take over O&M in Accordance with Corps standards	52 %	34 %	13 %
o Complete control of O&M	50 %	39 %	10 %

It is clear in the above table that the willingness to participate in joint ventures with a Federal agency begins to decline when funding becomes an issue. The sharing of technical assistance and in-kind services is much more acceptable to the respondents than the actual outlay of funds. Repeatedly these representatives of state and local agencies emphasized their need for more budget allocations in order to meet the current operation and maintenance demands within their existing park system.

This also explains why the greatest incentive to encourage further participation in the O&M of a Federally-owned recreation area by a state or local agency is money. Eighty-two percent (82%) of the respondents felt that if their agency could operate an area at less cost, and they would be given total Federal funding to cover their costs, then it would make sense and they would be willing to participate in the O&M.

Additional incentives that were suggested to respondents and the results of their replies are provided in Table 4-3.

TABLE 4-3
INCENTIVES TO PARTICIPATE IN THE O&M OF
FEDERALLY-OWNED RECREATION AREAS

	<u>Yes</u>	<u>No</u>	<u>Don't Know</u>
o Total Federal Funding (if able to do at less cost)	82 %	10 %	7 %
o Transfer of Land Ownership	73 %	16 %	10 %
o Input into Project Operation decisions	65 %	27 %	6 %
o Input into Land Use Decisions	71 %	23 %	3 %
o Challenge/Matching Grants	59 %	24 %	15 %

4.1.5 Benefits and Drawbacks of a Joint Effort

The survey respondents were asked to suggest what they perceive as benefits and/or drawbacks to a cooperative operating and maintenance effort between their agency and the Corps at Corps recreation areas. A variety of ideas were shared. The primary benefits resulting from this type of partnership focused on the benefits that the user would receive. More recreational opportunities would be available, it was felt, because more resources would be contributing to the provision of these opportunities. Some respondents suggested that their agency is better equipped for providing recreation, so therefore, the operation and maintenance of these areas would now be run more efficiently. Thirty-five survey participants felt that more localized agencies would be more responsive to the specific needs of the public in a particular area, therefore, public demands would be more quickly addressed.

Table 4-4 lists all recurring responses to this question on benefits of a cooperative effort, and the percentage of survey contacts who supplied the response. It should be noted that some respondents shared several ideas while others did not share any.

TABLE 4-4
BENEFITS OF A COOPERATIVE O&M EFFORT

o More recreation opportunities to public	35 %
o More efficiency in providing O&M	31 %
o Greater responsiveness to local needs	29 %
o Sharing of expertise	3 %
o Broader funding base	3 %
o Greater uniformity/consistency in policy	3 %
o Reduction to Federal burden	3 %

Many drawbacks to a cooperative O&M effort were also shared by respondents. About thirty-one percent (31%) felt that bureaucracy would greatly increase due to the involvement of another layer of government. Additional paperwork, regulations, and procedures would hinder the O&M effort. A major concern by twenty-two percent (22%) of those surveyed is the question of funding. Once again it was emphasized by state and local agency personnel that current levels of funding do not meet the budgeted needs of their existing operations, and it would be highly unlikely that they could financially contribute to a cooperative Corps and state or local effort.

Other perceived drawbacks mentioned include the problems arising from conflicting management philosophies and poorly defined responsibilities. Ten percent (10%) of those questioned are concerned about the inability of the Federal government to provide a long term funding commitment so they are reluctant to become involved in cooperative arrangements. Another drawback referenced by nine respondents is the micro-management of the Corps in state and local affairs. Table 4-5 summarizes the drawbacks of a cooperative effort as viewed by the 121 survey participants.

TABLE 4-5
DRAWBACKS OF A COOPERATIVE O&M EFFORT

o	More bureaucracy	31 %
o	Lack of available state/local funds	22 %
o	Conflicting management philosophies	16 %
o	Lack of long term Federal funding	10 %
o	Undefined responsibilities	9 %
o	Micro-management by the Corps	7 %

In consideration of both the benefits and drawbacks of a cooperative O&M effort between the Corps and a state or local public agency, the questionnaire asked the respondents how the quality of recreational opportunities would be impacted by such a joint effort. A large majority, eighty-four percent (84%) felt that the quality of recreational opportunities would not be effected or would improve under the direction of a joint O&M effort.

4.1.6 Who Should Provide O&M at Corps Recreation Areas

An overwhelming number of survey respondents, 99 out of 121, or eighty-two percent (82%), agreed that the Corps should continue to provide the operation and maintenance at Corps recreation areas. When asked about possible alternatives to Corps provision of O&M, there were no decisive choices. Table 4-6 is a summary of the responses of those who feel that other public agencies and private sector involvement represent feasible and practical alternatives to current levels of Corps participation in providing O&M.

TABLE 4-6
FEASIBLE ALTERNATIVES TO CORPS PROVISIONS OF O&M

	<u>% of respondents who feel</u> <u>Alternative is Feasible</u>
o Joint Approach	62 %
o State Agency	53 %
o County/Local Agency	40 %
o Other Federal Agency	36 %
o Private Sector	28 %

Each respondent was given the opportunity to answer in the positive or negative to each of the alternatives shown in the table above. The alternatives of a joint approach between the Corps and a public agency or private enterprise, and of state agency involvement, were the only two to have majority support. The remaining three methods, although not having majority support, would seem to command enough interest to warrant further review and consideration. It should be emphasized again that eighty-two percent (82%) of survey participants stated that they feel the Corps should continue to provide O&M at Corps recreation areas, and many addressed this question on feasible alternative only when pressed to do so.

This analysis must not overlook the responses provided by seven percent (7%) of those surveyed. These individuals were reluctant to suggest any of the alternatives to be feasible without a case by case review. An additional seven percent (7%) of the respondents felt very strongly that the Corps of Engineers should maintain responsibility for providing the O&M at Corps recreation areas, and would not consider any of the above alternatives. The most repeated explanation of this attitude was that the Corps used recreational benefits in calculating benefit/cost ratios when gaining approval to build their projects. Therefore, these respondents felt that the Corps must take responsibility for providing all costs of operation and maintenance of these areas.

4.1.7 Innovative Ideas to Provide O&M

According to the survey results of the non-Federal public agency personnel, very few innovative O&M methods are being used within recreation areas. Although many of the ideas shared are certainly non-traditional approaches, most of the respondents were familiar with the ideas. These ideas include the use of volunteer groups, "friends" groups, youth groups, army reserve units, and prisoner release programs to support operation and maintenance needs of an area with clean-up programs. Corporate sponsorship of public recreation areas are also methods used in providing O&M. Non-profit groups have occasionally been used to provide interpretive and other specialized services. Leaseback arrangements, the use of private concessionaires and partnership efforts were also identified as alternatives to sole public involvement in providing operation and maintenance needs.

In addition to the more standard approaches mentioned above, several unique O&M practices were mentioned during discussions with some survey participants. Some states have designated the fees collected from grazing, agriculture, and mineral leases to be used in the O&M of public recreation areas. Other more innovative approaches in O&M procedures in recreation areas have included the use of concessionaires and private groups to provide services and facilities such as youth hostels, theatres and playhouse, craft guilds, steam railroads, and mule barges. Another suggestion of an innovative O&M practice would be to make agreements with neighboring land owners to care for the public land within close proximity to their property.

4.2. Corps Concessionaires

4.2.1. Characteristics of Response Group

A variety of Corps of Engineers concessionaires were contacted for this study. Of the 93 respondents, almost half represented full service marinas and related boating services. The break down is as follows:

Full Service Marinas	53
Slip rental/docks	26
Campgrounds	17
Restaurants/lodging	14
Boat rentals	12
Other	9
RV parks	3

As the numbers show, the total adds up to more than the 93 concessionaires contacted. This is because, for example, some concessionaires provided not only boat ramps and docks, but campsites, lodging or other services.

Many of those answering the survey were very knowledgeable and had insight into the problems of running an operation on public lands. They were either the owners or managers of the business. Most

were willing to speak freely about their concerns and felt that their ideas and opinions would be given consideration. Forty-three percent (43%) of the group had lease arrangements with the Corps, a small percentage leased with other public agencies, seventeen percent (17%) had a lease/ownership arrangement, eighteen percent (18%) had a concession/lease/ownership arrangement and five percent (5%) had a concession/lease arrangement.

4.2.2 Advantages/Disadvantages of Operating in a Public Area

Table 4-7 display the comments in regards to the question of the advantages and disadvantages of being a concessionaire in a public area.

TABLE 4-7
ADVANTAGES/DISADVANTAGES OF PUBLIC AREA

	<u>Advantage</u>	<u>Disadvantage</u>	<u>Neither</u>
o Prime location	71%	8%	21%
o Fee structure	31	13	56
o Profitability	33	28	39
o Lease agreement	30	34	36
o Insurance requirement	6	41	53
o Bonding requirement	7	3	90
o Contract bidding	4	6	90
o Government standards	12	41	47
o Environmental statements	14	13	73
o Involvement of interest groups	14	4	82
o Alcohol restrictions	11	26	63
o Gambling restrictions	10	1	89
o Hours of operation	17	3	80
o Government bureaucracy*	5	66	40

* adds up to more than 100% - more than one comment per respondent

Prime location was considered an advantage by seventy-one percent (71%) and only eight percent (8%) said it was a disadvantage.

Only thirteen percent (13%) of the respondents felt the fee structure was a disadvantage. From some of the comments, there is a feeling of lack of control regarding fee structures and lease agreements. They are aware of the current structure, but they do not know what it will be next year. They cannot plan for the future.

A major stumbling block to the planning ability of these business people was their lease arrangements. In particular, there seemed to be a growing need to have longer leases (25 to 50 year leases). A basic reason for this request was the need to know they were secure in their concession operations and could plan for the future. There existed a positive relationship between long term, secure leases and the amount spent on capital improvements. The outlay for capital expenditures would tend increase if this uncertainty was reduced.

Of the respondents thirty-three percent (33%) felt that they were making a fair profit from their arrangement and twenty-eight (28%) felt their profits were being kept down by the highly competitive

market. A major concern was that they were in competition with the Corps and state-financed facilities. Judging from the many comments on the subject, they feel this competition is highly unfair. The concessionaires seemed to be very aware of what the Federal and state governments were spending and charging for their recreation facilities. They objected to the fact the Corps spent thousands of tax payers dollars to build new facilities and then charged only \$6.00 a night. They felt the Corps represented subsidized competition.

The policy change regarding the length of stay for mobile home owners was mentioned as cutting into their profits. The maximum stay period is now approximately 14 days. Concessionaires felt a longer time period would improve business conditions and encourage improvements of facilities and services.

Not too surprisingly, insurance requirements were a very important point of discussion. Requirements were considered to be too high and unfair, particularly for marinas. Forty-one percent (41%) of the respondents felt they paid too much for insurance, some to the point of it being prohibitive. Others felt it was very difficult even to obtain marina insurance. This was obviously an important matter affecting these business people, particularly in light of the fact that twelve percent (12%) specifically expressed a desire to improve or expand their current marina areas, but could not afford the insurance costs associated with the improvements.

Government standards were felt to be a disadvantage by forty-one percent (41%) of the concessionaires. There are a few specific things they mentioned as disadvantageous to their operations. One of the most frequently mentioned comments was that the standards were too strict and too complex, particularly for a small business. They felt the small parks should not be subject to the same restrictions as the larger ones and that there were too many unnecessary rules, some of which made no business sense at all. These problems are complicated by the problem of having to wait too long for decisions to be made. The net result was a feeling that the Corps needed to be more flexible in its policies and allow more freedom to the concessionaires.

Alcohol restrictions were felt to be a disadvantage to twenty-six percent (26%) of the respondents, while sixty-three percent (63%) felt it was neither an advantage or disadvantage. Gambling restrictions were not a major concern for the group.

Regarding working within a government bureaucracy, some advantages and disadvantages were brought to light. On the positive side, some concessionaires felt they had excellent cooperation from the Corps. Others have remarked on how thoroughly knowledgeable the Corps people were and how much they have learned from them. Some have mentioned that they like dealing directly with the Corps.

For a variety of reasons, sixty-six percent (66%) of the respondents stated that government bureaucracy was a disadvantage. The reasons most often mentioned were (1) the process is too time consuming (16%); (2) there is too much red tape and interference in running their businesses (19%); (3) the government is too inflexible; and (4) there needs to be more clear cut guidelines and consistency.

Concessionaire comments such as "time is money" bring out some basic philosophical differences between government bureaucracy and the private sector. They say that they are spending a good deal of time on paperwork for permits, etc. and not getting timely responses or not getting a straight answer at all. This has frustrated many of these people. Over thirty-five percent (35%) of the business people feel they are spending too much time on paperwork and red tape and that there is too much interference in running their operation. There seems to be a need for a framework of more simple, clear cut guidelines and more consistent policies.

This leads to another area of concern. Because of this interference and inflexibility, the concessionaires feel the Corps has thwarted their efforts to make changes and improve their facilities. Some

have commented that the Corps likes to build everything new instead of renovating the facilities, which many of these small operators simply cannot afford.

A suggestion for obtaining more business for the under-utilized Corps recreation areas and the concessionaires was to make the public more aware of the various Corps recreation areas through advertising.

4.2.3 Government Requirements Preventing Renewal of Contract

Countering many of the above negative comments was a positive statement made by one of the concessionaires. As with many things, attitude plays an important role in determining the success of an enterprise. This concessionaire felt that he/she did not mind all the regulations and paperwork; he/she felt there were definite benefits and rewards to operating in a public area and that it was a privilege to have a lease with the Corps.

Many of the same concerns mentioned in Section 4.2.2 (advantages and disadvantages of operating in a public area), were reiterated regarding concessionaire contract renewal. Thirty-nine percent (39%) felt there were issues that could prevent them from renewing their contract. The breakdown is as follows:

ISSUES PREVENTING CONTRACT RENEWAL

Insurance	10%
Fee structure	8%
Contract bidding	7%
Lease agreement	6%
Government standards	5%
Other issues	3%

Some respondents felt that even though the standards of the Corps were rigid and high, they were in good taste and made good business sense. Another mentioned that the requirement (for contract renewal) to upgrade their facilities may not be economically feasible.

Insurance was again mentioned as being unreasonable. There was an acknowledgment though that it was not the fault of the Corps, but of the insurance companies.

Even though contract bidding received only a small percentage of comments (7%), it was still an issue worth noting. Many feel they should have the option of first refusal before the contract goes through the bidding process, while others feel the contract should not be open for public bid at all.

4.2.4 Benefits to the Customer

The basic feeling is that there are some definite benefits to the customer in having concessionaires in public areas. Among them are: (1) less expensive facilities and services (62%); (2) greater variety of services and facilities (83%); (3) more efficient operation (84%) and (4) better maintained facilities (68%).

4.2.5 Potential Expanded/Additional Services

Table 4-8 provides a breakdown of expanded or additional services that concessionaires would like to provide to the public:

TABLE 4-8
ADDITIONAL SERVICES

Improve/expand marina area	12%
Lodging/cabins	12%
Improve/expand picnic/camping and beach areas	10%
Restaurants/food concessions	9%
RV parks	4%
Playgrounds	3%

Various other possibilities were diverse, including, yacht clubs, golf courses, miniature golf, water/fun parks and resort complexes. Almost anything that the public wants could successfully be provided by the private sector.

4.2.6 Innovative O&M Programs

Approximately four percent (4%) were aware of innovative O&M programs. Some were corporate-sponsored programs such as: Stauffer's Clean Up and the Pepsi and Coke programs, while others were geographical in nature, such as: the Great Altoona Clean Up, Lake Shore Clean Up, Grapevine Sailing Club, and the California Department of Boating and Waterways program. Other ideas were of a more general nature, such as seeking volunteers from: the retired community, Coast Guard, local boating associations, Boy Scouts, Girl Scouts, and local garden clubs.

4.2.7 Affect on Concessionaires Of Increased State and Local Involvement

There was an overwhelming belief that the involvement of state or local governments at Federal recreation facilities would adversely affect the concessionaires. Up to eighty-one percent (81%) of those questioned said that there would be a decline in the business environment because of state and local involvement. One of the most important reasons for this high rate of response is the perception that more government involvement would mean more bureaucracy and regulations. Only sixteen percent (16%) felt the business environment would be improved by this and three percent (3%) said there would be no effect.

Much emphasis was placed on the fact that there is already too much bureaucracy and paperwork in the system. Adding another layer of government would only add to businesses headaches. Many were adamant about the decline in the business environment because more tax dollars would be available for subsidizing public areas, translating to stiffer competition for the Corps concessionaires. Some felt there would be a decline because they like the situation as it exists now. Another concessionaire felt if the state were to get involved, the first thing they would do would be to tax everything. Two concessionaires related from personal experience situations where state and county involvement did not work. Some also felt that if there were local participation, the situation could be very political.

At this point, many of these business people were hoping for more control and freedom and could only see state or local involvement as a step in the wrong direction.

An improvement in the business environment was seen by sixteen percent (16%) of the concessionaires if state or local government were involved for the following reasons: (1) funds for the area would increase; (2) closer attention would be given to these areas because of their economic benefits, and (3) greater law enforcement protection would be available.

The survey also addressed perceptions and expectations of respondents regarding the effect of an increased role of state and/or local governments and the impacts on the current quality of services at Corps facilities.

Of the respondents, a majority (53%) perceived that the quality of Corps recreational areas would be diminished if there were a joint state or local operations and maintenance effort. Some of the reasons were: (1) a perceived increase in bureaucracy and paperwork, (2) increased taxes, or (3) present inadequate performance of local governments. A few felt that since the Corps was so well run now, they did not want to see a change.

There were twenty-two percent (22%) who felt that the quality of the recreation areas would improve if the state or local governments were involved.

4.2.8 Should Corps Continue to Operate Recreation Areas

A large percentage (69%) of the concessionaires felt that the Corps should continue to provide operation and maintenance of recreation facilities and for different reasons. Some liked the cooperation they received from the Corps and appreciated their well-run facilities. Others answered "yes" because they did not wish to see these facilities closed to the public (if there were no other options).

There were twenty-two percent (22%) who felt that the Corps should not be involved in operating recreation facilities at all.

When asked, however, who should provide O & M at Corps recreation areas should change be necessary in the current management operation at Corps areas, the respondents felt overwhelmingly that the private sector would be the choice approach. Table 4-9 is a breakdown of the responses to the question of who should provide operation and maintenance at Corps areas.

TABLE 4-9
WHO SHOULD PROVIDE O&M

	<u>Yes</u>	<u>No</u>	<u>Do Not Know</u>
Another Federal agency	14%	74%	12%
State agency	15	77	8
County/local agency	16	75	9
Private sector	52	37	11
Joint approach	28	61	11
(Corps and state or local or private)			

A majority (52%) of the business people wanted to see the private sector manage the Corps facilities, while a joint approach was favored by twenty-eight percent (28%) of them. There is no solution that will satisfy the majority of the Corps concessionaires. The reasoning for their answers lies largely with their own experiences and perceptions of the Corps and their particular state and local area. If they have had a good rapport with the Corps they may not want to see a change at all. If they have had good or bad experiences with their local government, they voted accordingly. Since many are in competition with Corps or other public facilities, it would be understandable that they would want this competition eliminated or managed by private enterprise.

4.3 Resort Developers/Non-Corps Concessionaires

4.3.1 Characteristics of Response Group

A total of 36 surveys were conducted with individuals representative of resort developer and concessionaire interests in order to gage the industry opinions on increasing private operation and maintenance of Corps recreation facilities. A breakdown of the number of respondents for each business type is shown in Table 4-10.

TABLE 4-10
RESPONSES BY BUSINESS TYPE

Resort Developers	18
Concessionaire - Marina	6
Concessionaire - Campground	4
Other	<u>8</u>
TOTAL RESPONSES	36

The resort developer respondents generally represented larger firms involved in multiple projects. The types of projects were diverse and could include hotels, timeshare residences, retirement communities, camp sites, vacation homes, and recreation facilities. Also, a financial consultant to resort developers provided valuable insights into the financial concerns of developers.

The concessionaires represented equally diverse interests. The survey respondents provided services or facilities such as golf courses, restaurants, canoe rentals, trail rides, marinas, camp grounds, youth hostels, and river tours. The wide range of interests held by the concessionaire and developer survey groups was felt to be representative of the developer and concessionaire communities as a whole.

Fifty-eight percent (58%) of the respondents have developed projects or operate concessions on public lands. A total of 60 projects or concessions on public lands were represented by the survey group. The majority of the concessions are associated with the National Park Service although the National Forest Service, the Bureau of Land Management and some state parks are also represented.

4.3.2 Essential Elements for Development Projects

In order to assess the viability of private development of recreation facilities on public lands, the survey respondents from this group were asked to identify essential elements they required before considering a recreation development project on public lands. Since the respondents represented private firms with an underlying profit motive, it is not surprising that seventy-two percent (72%) of the respondents felt that revenue potential was essential. A project must be at least potentially profitable for a private corporation to consider investment and development. One respondent felt that if a project isn't profitable the government should be willing to subsidize the venture. In addition, fifty-eight percent (58%) of the surveys identified some sort of financial package as being essential to development.

Another essential element identified by seventy-five percent (75%) of the respondents is prime scenic location. Scenic location is the factor which attracts visitors to an area. The development projects or concessions currently operated by the survey group are located at scenic locations such as the Grand Canyon, Denali National Park and Mount Rainier National Park. The proximity of the recreation area to population centers and access to the area by public transportation was not deemed essential by the majority of respondents. It would seem that outstanding scenic assets will draw visitors to an area regardless of the

location. However, it is possible that proximity to population and public transportation become more important if the recreation area is less spectacular or unique.

Other factors considered essential by the survey respondents include a long term lease by 58% and exclusivity clauses by 33%. A lease would need to be long enough to encourage capital investment and to foster security. Exclusivity clauses would also foster security. In addition, several respondents mentioned that the right-of-first-refusal for lease renewal was important. A license to serve alcohol was considered essential by only 25% of the respondents.

4.3.3 Disadvantages of Development on Public Lands

In order to realistically assess the chances for successful private development, it is important to identify the problems or disadvantages which developers believe would accompany such a project. The problem identified by the greatest portion of the respondents (42%) was that the developers would not hold fee simple title to the developed properties. The government would retain ownership of the lands and facilities. The developer would not have complete control over decision-making and complex legal problems could result. Also, developers would be taking a certain amount of risk in making capital improvements on lands which they don't fully own.

The next most common problem of developing on public lands (19%) was the bureaucracy associated with dealing with the government. The red tape and layers of government regulations were seen as a hinderance to efficient business management. Several respondents identified the length of time required to accomplish anything through a government agency as a constraint. One respondent summarized the problem that with a private business "time is money". Generally, the government does not face the same profit constraints, thus creating a basic disparity between the requirements of private business owners and the government.

Besides the amount of government regulations, seventeen percent (17%) of the survey respondents also identified the government regulation themselves as a problem. The government regulations supersede any organization or corporate regulations and policies. The government agencies essentially dictate policies to the developers and concessionaires. Several of the respondents felt that their abilities to properly run their businesses are restricted by the tight government control over their operations.

Other problems with developing on public lands identified in the survey include the bidding procedures (6%), insurance requirements (9%), fee structure (11%), uncontrolled access to recreation areas (9%), and philosophical differences with the government (3%).

4.3.4 Incentives to Development

In contrast to the problems with development on public lands, the developers were also asked to identify incentives which might induce them to consider a project on public lands. Again, the issue of leases repeated itself as fifty-eight percent (58%) of the respondents said that a favorable lease agreement would serve as an incentive to develop. Based on the survey comments, it seems that a "favorable" lease period refers to a longer length of time.

In order to improve the economic viability of a development project, forty-two percent (42%) of the respondents identified tax breaks as a development incentive. However, only twenty-two percent (22%) recognized government grants and only twenty-eight percent (28%) recognized government subsidies as incentives even though grants and subsidies could improve the economic performance of a project. Perhaps the increased government paperwork, regulations, policies and control associated with grants and subsidies makes these instruments less attractive to developers as incentives than other methods such as tax breaks which allow the developers to retain more control over their decisions.

Other development incentives mentioned in the survey include a high volume, steady visitor stream, existing government infrastructure and lower franchise and user fees.

4.3.5 Operation and Maintenance of Corps Facilities

The remaining set of questions on the resort developers survey were geared towards determining the developers' and concessionaires' opinions regarding alternatives for providing operation and maintenance at Corps recreation facilities. As with the other survey groups, the developers were asked whether the Corps should continue to provide operation and maintenance at their recreation facilities. Seventeen percent (17%) of the respondents answered "yes", while thirty-nine percent said "no" and forty-four percent were undecided or did not know. When asked who should provide the O&M at Corps recreation facilities, the only two options which were chosen by a majority of the respondents was the private sector (58%) and a joint effort (53%). Sixty-four percent (64%) felt that other Federal, state and local agencies should not provide the O&M. Clearly, the private developers see the O&M of recreation facilities as a potential profit-making business enterprise that would be best left to private developers.

When asked if they would be willing to provide the operation and maintenance as part of a development agreement, sixty-seven percent (67%) responded "yes". Some respondents reported that they are already involved in such an arrangement. The areas of operation which the developers felt could be successfully operated by private interests covered a wide range of possibilities. Forty-two percent (42%) of the respondents felt the possibilities were unlimited. Any service or facility the public demanded, these respondents believed, the developer or concessionaire could supply. The range of activities and services already provided by the survey respondents seems to support almost unlimited possibilities. In addition, hotels, conference centers, restaurants, ski resorts, lodges, cabins, and marinas were specifically mentioned as having the potential of being successfully developed by the private sector.

Since the private developers feel that the private sector should play a greater role in providing services at Corps projects, it is not surprising that an increased role by state and local governments is not supported by the survey respondents. Forty-seven percent (47%) of the respondents felt that increased state and local participation would lead to a decline in the business environment. Twelve percent (12%) said an improved business environment would result, twenty-two percent (22%) said that there would be no effect, and nineteen percent (19%) responded that they did not know. The decline in business environment expected by about half of the respondents was attributable to several factors. First, increased government involvement in recreation means decreased business opportunities for the private sector. In addition, creating more layers of government control was seen as adding more bureaucracy to a system already bogged down in red tape and regulations. The developers also felt that decision-making was likely to be more politicized at the local level.

There was less consensus among the developers as to the effect of increased state and local involvement on the quality of recreational opportunities. Twenty percent (20%) felt that opportunities would increase, fifteen percent (15%) thought quality would decrease, twenty percent (20%) thought that there would be no effect, and forty-five percent (45%) did not know. It seems that the private business interests felt that state and local governments can provide adequate operation and maintenance for Corps recreation facilities. However, it is in the best interest of the business community to allow the private sector to provide these same services.

In general, the private developers and non-Corps concessionaires felt that the private sector should be given a greater role in providing recreation services at Federal sites. However, several of the respondents recognized a fundamental difference in objectives and philosophies between the government and private developers. The bottom line objective of private developers is to make a profit. The government should be more concerned with providing recreation resources for the good of the public. If an arrangement can

be made to satisfy both objectives, then private developers and concessionaires can be a successful measure for providing recreation and reducing the Federal budget. One respondent suggested using a "public benefit corporation" as a compromise. The "public benefit corporation" would be run as a private business but would have no stockholders. All profits would go back into the company to improve recreation opportunities or to non-profit groups. This appears to be an interesting concept which may be worthy of further study.

4.4 Other (Ancillary) Service Providers

4.4.1 Characteristics of Response Group

The primary contact list used to supply names as representatives of other providers of recreational services was from the National Campground Owners' Association. Based on this list, twenty-four individuals completed the survey, including eighty-eight percent (88%) campground owners, and twelve percent (12%) R.V. park operators. Only one member of the survey group has ever operated a business as a concessionaire to a public agency, and in this case, it was a seasonal operation, renting boats and operating a pool concession. Eighty-three percent (83%) of the respondents do, however, operate their businesses in reasonably close proximity to a public recreation area. Not everyone considers this to be a benefit to their business as stated by twenty-nine percent (29%) of all respondents.

4.4.2 Advantages and Disadvantages of Operating Near a Public Recreation Area

While forty-six percent (46%) of the respondents in this group perceive their close proximity to a public recreation area provides their operation the advantage of a ready-made market, this benefit is eroded by services similar to theirs being provided within the public areas by private concessionaires or directly by a public agency. As indicated in Table 4-11, fifty percent (50%) view public agency operations to be a disadvantage to their business, and thirty-three percent (33%) feel the same about private concessionaires operating within a public area.

TABLE 4-11
PERCEIVED ADVANTAGES/DISADVANTAGES OF SERVICE PROVIDERS
WITHIN PUBLIC RECREATION AREAS

	<u>Private</u> <u>Concessionaires</u>	<u>Public Agency</u> <u>Operation</u>
Advantage	17%	17%
Disadvantage	33%	50%
Neither	46%	33%
Don't Know	4%	

Comments shared by members of this group repeatedly suggest the unfair competition between their businesses and those run or subsidized by a public agency. (A printout of the specific comments is presented in Appendix D of this report.) Their tax dollars, they feel are used to build facilities that a private business would never have the capital or profit potential to build, and, in addition, facilities that never have to recover the costs of building. On the other hand, as private ventures, their operations must be able to meet all expenses of capital improvements, and routine operation and maintenance. This becomes a "catch-22" situation. In order to compete with the facilities and services provided within a public area, the private businessman must build and provide the same quality services, but then must charge rates necessary to recover these costs. These rates are far beyond the rates charged within the public area. On the other

hand, to charge rates as low as those charged within the area results in poor quality facilities and services. When asked directly whether or not the fee structure used by the Corps or another public agency, prevents them from charging the fees they would like to charge, fifty-four percent (54%) responded yes, and forty-two percent (42%) responded no. Table 4-12 displays this response.

TABLE 4-12
DOES PUBLIC AGENCY FEE POLICY PREVENT YOU
FROM CHARGING DESIRED FEES?

Yes	54%
No	42%
Don't Know	4%

4.4.3 What Would Prevent the Service Providers from Seeking a Concession Contract?

As discussed earlier, only one respondent from this group has ever operated as a concessionaire in a public recreation area. This should not imply, however, that these business operators would not consider such an arrangement. In fact, sixty-seven percent (67%) of the survey participants suggest that the areas of service and facilities in public areas that could be operated by private providers is unlimited. Further privatization in this context would not only provide their businesses with greater opportunities, but would begin to balance the broad discrepancies between the fees levied by the private businessman outside of the public area, and the fees charged by those within the public recreation area.

Several respondents, however, felt that they would have no interest in seeking a concession contract with a public agency. Several reasons for this attitude were given, including: fee structure or pricing policy dictated by the public agency holding ownership of the area; contract bidding procedures; dealing with government bureaucracy; and the environmental standards required by a public agency when working on public lands

4.4.4 Should the Corps Continue to Provide O&M at Public Recreation Areas?

Although the majority of "other service providers" contend that the Corps and other public agencies have often created an unfair system of competition for their businesses, the majority feel that at this point in time the Corps should continue to provide the operation and maintenance at public recreation areas they manage. Sixty-three percent (63%) of those surveyed feel the Corps should continue to provide O&M. In addition, thirty-nine percent (39%) perceive a negative impact would result should a joint effort between the Corps and another public agency be instituted.

It should be noted that qualifying factors were suggested when survey participants were asked these questions. These comments include the observations that the Corps' involvement should be limited to the type of recreation that requires very little development of facilities and services such as primitive camping, hiking trails, and very basic boating needs. Campsites with water and electric hookups, R.V. parks, marinas, or any other service or facility which the private sector could provide should be made available only through the private sector. Others feel that it is fine for the Corps to provide O&M at recreation areas, but they must begin to charge rates that will recover the full cost of their capital and O&M expenses. This system would be more fair to the private sector.

Table 4-13 gives an indication as to whom this survey group feels should provide the O&M at Corps recreation areas, if the Corps were unable to do so.

TABLE 4-13
WHO SHOULD PROVIDE O&M AT CORPS RECREATION AREAS?

Other Federal Agency	13%
State Agency	8%
Local/County Agency	8%
Private Sector	67%
Don't Know	4%

It is no surprise that an overwhelming majority of respondents, sixty-seven percent (67%) feel that this responsibility would be best supplied through the private sector. With the private sector providing the O&M, not only would the areas be run as a business thus becoming more efficient, but could potentially become a source of revenue instead of increasing the Federal deficit.

4.5 Users/Conservation Groups

4.5.1 Characteristics of Response Group

Of this group, nineteen percent (19%) answered the questionnaire from the perspective of actual users of the recreation areas and ten percent (10%) considered themselves strictly conservationists. Interestingly though, seventy-one percent (71%) of all the respondents said they were both conservationists and users of these areas. With that point in mind, the following answers received were not surprising.

4.5.2 Rating the Recreation Facilities

Forty-eight percent (48%) rated the quality of Corps facilities to be of the same quality or better, in comparison with other recreation areas. The percentage may have been higher if the forty-four percent (44%) of the respondents ("do not know" category) were aware of which public agency provided the operation and maintenance at the recreation areas they mentioned. This is more evident when one looks at the percentages of answers for the "do not know" category on more specific questions. If there is a category labeled "other public agency", the total of "do not know" responses went down considerably. Therefore, it may be more helpful to also look at the combined percentages of Corps facilities and other public agencies.

While only twenty-one percent (21%) said they felt Corps facilities were best, a total of sixty-two percent (62%) rated Corps and other public agencies as having the best facilities.

With regard to the question of who maintains the areas most attractively, the Corps was rated best seventeen percent (17%) of the time, but when the answers were combined for the Corps and other public agencies, that rating was sixty-one percent (61%).

For the most efficient operation and maintenance category, the Corps was rated highest eighteen percent (18%) of the time. When looking at the answers for both Corps and public agencies, fifty-seven percent (57%) rated those combined categories highest.

As for the least costly recreation sites, the Corps was rated highest by thirty-one percent (31%) of the respondents and the combined percentage for Corps and public agencies in this category was seventy-three percent (73%).

When asked who had a greater regard for the area's natural and wildlife resources, the Corps was rated high by twenty percent (20%), while the combined percentage for Corps and public agencies received the highest rating seventy-two percent (72%) of the time.

Again, the point should be noted that many of the users/conservationists were basically unaware of which specific public agency had maintained the recreation areas they mentioned.

4.5.3 Rating the Recreation Services

Focusing on services provided at the facilities, one sees the trend moving away from the Corps/public agencies and toward the private sector. The private sector was rated highest (26%) on the question of most efficient services provided. Fifty-three percent (53%) answered "do not know". It should be noted that a large majority of those who answered "do not know" had never used the services and thus did not feel they could adequately answer the question. The private sector was also rated highest (23%) on the question of who was the most efficient provider of O&M. Again, 56% answered "do not know" because they did not take advantage of the services provided.

4.5.4 Facilities that Should/Should Not Be Allowed

As the percentages in Table 4-14 suggest, there is a clear indication from this user/conservation group that they favor preservation of the natural environment by allowing basic recreational activities, (camping, boating, swimming at beach areas, hiking) as opposed to allowing the construction of resorts, tennis courts, restaurants and pools. The breakdown is as follows:

TABLE 4-14
FACILITIES THAT SHOULD/SHOULD NOT BE ALLOWED

	<u>Should</u>	<u>Should Not</u>	<u>Do Not Know</u>
Campgrounds (tents/trailers)	96%	1%	3%
RV parks	70	18	12
Beaches, boating, hiking	98	1	1
Tennis courts, swimming pools, ski areas	44	48	8
Resort areas with hotel, restaurant, conference ctr	31	58	11
Alcohol	17	74	9
Gambling	7	88	9
Theme parks	7	88	5

4.5.5 Effect of Increased Role for State/Local Governments at Federal Facilities

There was no consensus of opinion on the effect the state or local governments would have on the operation and maintenance of Federal recreational facilities. Almost one-third of the respondents felt that the quality of services, the quality of the recreation area and the quality of operation and maintenance at these facilities would be better if the state or local governments were involved and another one-third felt they would be worse. Approximately twenty percent (20%) felt the areas in question would be the same and about seventeen (17%) were not able to adequately answer the question.

With regard to the question of cost to the user, fifty-two percent (52%) did feel that the cost would be greater if the state or local governments were involved.

4.5.6 Rating the Corps, State, Local and Private Recreation Facilities

Below is a breakdown of the average rating of the various recreation facilities that the user/conservationist has experienced, with "1" being poor quality and "5" being top quality:

Corps Recreation Areas	4
State Parks	4
County Parks	4
Privately Operated Recreation Areas	3

Almost ten percent (10%) of the respondents rated a Corps facility as their favorite recreation site, while forty-two percent (42%) rated a Federal government site as their favorite and eighteen percent (18%) rated a non-Federal government site as a favorite of theirs. Again, the numbers may not adequately express all of the Corps facilities in the percentages, because a good many of the respondents were unsure which public agency provided operation and maintenance for the facility in question. Sixty-seven percent of the respondents did not know who provided the services at their favorite recreation area. This would seem to indicate that who provides the services is not a major factor to these users when choosing a recreation site.

5.0 CONCLUSION AND SUMMARY OF MAJOR FINDINGS

The general results of the surveys that were conducted for this project are presented here. These findings are based on a review of the response frequency of respondents and are presented as composite reactions of the various interests. These results reflect the perceptions, attitudes, and opinions of a representative sampling of the survey groups.

- o Both state and local public agencies as well as private sector providers of recreation view themselves as capable of and willing to provide recreation services and facilities at Corps areas. However, for this alternative to be implemented, Federal funding would be required by public agencies, and favorable lease arrangements would have to be established with the private sector. The degree of private sector involvement is dependent on the profit potential of the opportunity. For example, providing O&M for "primitive" recreation services, such as hiking trails in wilderness areas, would not be of interest to private sector providers.
- o Users generally are indifferent with respect to the source of operation and maintenance for recreational services and facilities. The quality of O&M provided is more important to them than the public or private sector providers.
- o The user fee policy of the Corps has fostered a competitive situation between the Corps and other providers of similar recreational opportunities. This is acknowledged by a majority of private providers who claim the Corps (and other public providers as well) has undercut their profitability by providing better facilities at lower rates to the user. If the Corps were to increase user fees, they believe, it would not only establish a more equitable relationship between them and other providers, but could also be a source of new funding to cover O&M outlays. (The outcome of this concept, however, would result in reduced recreational opportunities.)

- o Additional bureaucracy resulting from a cooperative arrangement with both the private sector and other public agencies is a universal concern. An added layer of government, such as cooperative Federal and State approach, would most likely increase paperwork, add regulations, and hinder the overall process. The private sector, more sensitive to the "time is money" concern, prefers dealing with as little government as possible.
- o Although current Corps concessionaires are satisfied with their relationship with the Corps, there are several concerns they would like to have addressed by the Corps. They believe: (1) lease agreements should be longer in length or the process of lease renewal should be altered to allow the concessionaire to know in advance if his/her lease is to be renewed. This would allow the concessionaire to commit more capital improvements to his/her business; (2) Corps standards are too complex and inconsistent to be effectively dealt with by a small business operator. The concessionaire would like more autonomy, allowing him/her to expand and enhance his/her operation if he/she feels it is appropriate; and (3) generally current Corps policy discourages and hinders expansion and improvement of concessionaire operations.
- o Large-scale providers of recreation (i.e., resort developers and firms providing leisure services) are anxious to explore the possibilities of utilizing their resources to provide recreational opportunities at Corps areas. In order to support and justify capital improvement expenditures, long-term or automatically renewable lease agreements, are essential elements to a cooperative effort with this group of providers. Also essential to them is a large degree of freedom and flexibility to be able to provide what the consumer demands.
- o Users and conservationists are not vehemently opposed to large-scale development of recreation areas; however, most are opposed to commercially-oriented resort/convention centers. A consensus of the respondents agree that allowing a resort development which would encourage the enjoyment of our natural environment would be acceptable. A consensus also states that under no circumstance should a resort development project be allowed to pose a significant threat or danger to the environment or our natural resources.
- o Many state park programs are implementing innovative sources of funding which are proving successful. This would indicate that at least partial alternatives to current Federal funding can be found that are acceptable to taxpayers.
- o The Corps of Engineers is recognized as a key in providing operation and maintenance in many areas, which explains the 82 percent survey response rate. Significant benefits are recognized where the Corps is a catalyst for state funding and a protector of environments.

APPENDIX A
LETTER OF INTRODUCTION

December 5, 1989

Dear Potential Questionnaire Respondent:

The U.S. Army Corps of Engineers (COE) operates over 2500 recreation areas at over 450 water resource development projects throughout the country. It is estimated that annual costs for operation and maintenance of these facilities are about \$120 million. The COE is interested in identifying alternatives to its current O&M procedures, and is currently involved with a study to evaluate these options.

The Greeley-Polhemus Group, Inc. (GPG), a consulting firm in West Chester, Pennsylvania, is under contract with the COE to perform a survey of individuals representing groups or agencies who would have valuable input regarding the alternatives. Individuals from a broad range of backgrounds will be contacted including representatives of non-federal public agencies, users, conservation groups, private concessionaires and resort developers. Your name has been suggested as a valuable point of contact for our survey work.

This letter is intended to provide you with a brief introduction to our project, so you are familiar with our purpose should a member of the GPG survey team call during the first few weeks of December. We hope that you are willing to participate in this study so we can be certain that our findings are representative of all interested groups.

Thank you in advance for your interest and cooperation.

Very Truly Yours,
THE GREELEY-POLHEMUS GROUP, INC.

Van Dyke Polhemus

VDP/cc

APPENDIX B

QUESTIONS AND RELATED INFORMATION

- o Introductory Comments for Telephone Survey
- o General Information Sheet
- o Questionnaires:
 - Non-Federal Public Agency
 - COE Concessionaire
 - Resort Developer/Non-COE Concessionaire
 - Other Service Ancillary Providers
 - Users/Conservation Groups

INTRODUCTORY COMMENTS

Hello, I'm (NAME) from the Greeley-Polhemus Group, a consulting firm in Pennsylvania. We are under contract to the U.S. Army Corps of Engineers to assist them with a study to identify and evaluate alternative methods for operating and maintaining recreation facilities that they currently manage. Hopefully you have already received an introductory letter from us regarding this study. (wait for response) The objective of this study is to identify and evaluate options for maintaining or enhancing the public recreation opportunities at these Corps projects while reducing Federal outlays.

Because only a small number of people are being selected for the study, the participation of each person selected is extremely important. Your participation in this study is entirely voluntary and you may refuse to answer any question. All responses will be kept confidential. Most of the questions have to do with your attitudes, opinions, and expertise, and there are no right or wrong answers. It is helpful, but not necessary, if you are specifically familiar with some of the COE recreation areas.

As potential manager or interested party, we will solicit your responses to some of these issues. The questionnaire will take about 15 to 20 minutes. Are you willing to participate in this survey?

For this segment of the study, we are identifying possible alternative management methods. These alternatives include:

1. Involvement by state and local government agencies.
2. Expansion of the participation of concessionaires and private developers in providing recreational facilities to the public.
3. Expansion of user fees or other revenue programs.
4. Continued use of current Corps of Engineers approach.

(If no) Would another time be more convenient to you?

(If still no) Would it be more appropriate to interview another person in your agency (office, or business)?

(If yes)

Let me say again, that the objective of this study is to identify and evaluate options for maintaining or enhancing the public recreation opportunities at Corps projects while reducing Federal outlays. This survey is only one component of the Corps' recreation study. The issues, perceptions, constraints, and opportunities identified through these interviews will be further analyzed and evaluated prior to final recommendations.

OMB # 0710-0001

Expiration date: November 30, 1992

QUESTIONNAIRE FOR STATE, LOCAL (COUNTY/OR COMMUNITY),
REGIONAL AGENCIES

With what agency are you affiliated? _____

Date of Survey _____

1. Does your agency lease lands from the COE for recreation purposes? Yes _____ No _____

2. Does your agency also operate and maintain recreation areas on it's own lands? Yes _____ No _____

3a. Is your agency attempting to acquire more recreation lands either through lease or purchase?

Yes _____ (Lease _____ Purchase _____) No _____

3b. If not, why? (e.g. budgetary purposes) _____

4. As you may know, the Corps primarily charges fees only for camping facilities at its projects. Does this current policy affect your ability to charge or the amount you would like to charge for any of the following:

4a. Entrance fees _____ How?

4b. Facility user fees _____ How?

4c. Other _____ How?

4d. Don't know _____

5. Does your agency have any legal, financial, or philosophical constraints that would prohibit any of the following, regarding management of public recreation areas?

5a. Private ownership of lands? Yes _____ No _____

Rev. 01/31/90

If yes, please explain:

5b. Responsibility for operation and maintenance?

Yes_____No_____

If yes, please explain:

5c. Restriction on collection of or use of fees and charges?

Yes_____No_____

If yes, please explain:

5d. Contracting with concessionaires to provide recreational services?

Yes_____No_____

If yes, please explain:

5e. Resort developments? Yes_____No_____

If yes, please explain:

5f. Other_____

6. Are you aware of any innovative O&M programs that have successfully or unsuccessfully provided the full or partial O&M of public recreation areas? (Examples: Private sector management of facilities; leaseback arrangements; Development/O&M costs associated with public sector programs; challenge grant;)

Interviewer: Be specific in your descriptions. Does approach provide full or partial O&M? What are cost savings, other benefits, or disadvantages?

7. Do you think your agency would be willing to participate in the operation and maintenance of Federally-owned recreation facilities in any of the following ways...
(Interviewer note: These are the individual's professional opinions, not "official" agency responses.)

7a. Technical assistance? Yes_____No_____Don't know_____

7b. In-kind services? Yes_____No_____Don't know_____

7c. Partial financial responsibility for O&M? Yes_____No_____
Don't know_____

7d. Take over O&M in accordance with COE standards?
Yes_____No_____Don't know_____

7e. Complete control of financial responsibility of O&M?
Yes_____No_____Don't know_____ (all operational
and financial decisions would be yours)

8. Would any of the following "incentives" encourage your
organization to participate in the O&M?

8a. Total Federal funding if your state can operate it
cheaper than the Corps?
Yes_____No_____Don't know_____

8b. Transfer of land ownership?
Yes_____No_____Don't know_____

8c. Input in project operation decisions?
Yes_____No_____Don't know_____

8d. Input in land use of area?
Yes_____No_____Don't know_____

8e. Challenge grants?
Yes_____No_____Don't know_____

8f. Other_____

9. Do you have any thoughts as to what the benefits of a cooperative O&M effort between the COE and a non-Federal government agency at COE facilities might be?

10. Do you have any thoughts as to what the costs of or constraints to a cooperative O&M effort between the COE and a non-Federal government agency at COE facilities might be?

11. How do you perceive a joint (Corps/state) or (Corps/local) effort would impact the existing quality of recreational opportunities at COE facilities?

Same_____Improved_____Diminished_____

Why?

12. On a scale of 1 through 5, with one being poor quality and five being top quality, how would you generally rate the following...

1-5

12a. COE Recreation Areas_____Don't know_____
in your state

12b. State Parks in your state_____Don't know_____

12c. County parks in your state_____Don't know_____

12d. Privately operated areas_____Don't know_____
in your state

13. Should the Corps continue to provide O&M at recreation facilities in your state?

Yes_____No_____Don't know_____

14. If change is necessary, who should provide O&M at COE areas?

14a. Other Federal Agency: Yes_____No_____Don't know_____

- 14b. State Agency: Yes_____No_____Don't know_____
- 14c. County or local agency: Yes_____No_____Don't know_____
- 14d. Private Sector: Yes_____No_____Don't know_____
- 14e. Joint approach: Yes_____ (Specify) No_____Don't know_____
(Specify 14a-14d plus COE. Circle those mentioned.)
- 14f. Other_____

15. Can you suggest other agencies or private sector individuals that I should discuss this with?

For the interviewer:

On a scale of one to five, with one being poor quality and five being top quality, please rate the above interview.....

- a. Cooperativeness_____
- b. Were they knowledgeable_____
- c. Did they give you necessary time_____
- d. Interest in project_____
- e. Overall quality of interview_____
- f. Potential as future source of additional information_____

Now go through the interview results and highlight those points which are of particular interest and value.

QUESTIONNAIRE FOR COE CONCESSIONAIRES

What business are you in?_____

Date of Survey_____

1. Does your company currently have a concession(s) contract(s) with a public agency?

Yes____How many contracts?____How many locations?_____

No____(Go to 1c)

1a. What is the primary nature of the concession you operate?

1b. What arrangement best describes your current situation?

Concession____Lease____Ownership____
(operation only)

Other_____

1c. If no, have you ever contracted with a public agency?

Which ones?

When?

Why not now?

2. Are there any advantages or disadvantages of being a concessionaire in a public area?

IN TERMS OF:

2a. Prime location

Advantage_____Disadvantage_____No_____

Please explain:

2b. Fee structure arrangement

Advantage_____Disadvantage_____No_____

Please explain:

2c. Profitability

Advantage_____Disadvantage_____No_____

Please explain:

2d. Lease agreement

Advantage_____Disadvantage_____No_____

Please explain:

2e. Insurance requirements

Advantage_____Disadvantage_____No_____

Please explain:

2f. Bonding requirements

Advantage_____Disadvantage_____No_____

Please explain:

2g. Contract bidding procedures

Advantage_____Disadvantage_____No_____

Please explain:

2h. Government standards

Advantage_____Disadvantage_____No_____

Please explain:

2i. Environmental impact statements

Advantage_____Disadvantage_____No_____

Please explain:

2j. Involvement of interest groups

Advantage_____Disadvantage_____No_____

Please explain:

2k. Alcohol restrictions

Advantage_____Disadvantage_____No_____

Please explain:

2l. Gambling restrictions

Advantages_____Disadvantage_____No_____

Please explain:

2m. Hours of Operation

Advantage_____Disadvantage_____No_____

Please explain:

2n. Dealing with government bureaucracy

Advantage_____Disadvantage_____No_____

Please explain:

2o. Other_____

3. Are there any policy procedures or requirements that would prevent you from seeking a renewal of your present concessionaire agreement or from pursuing a new contract?

(Interviewer: Allow respondent to provide answers. Circle appropriate response and number responses in order provided.)

3a. Fee structure or pricing policy arrangement

Please explain:

3b. Lease agreement

Please explain:

3c. Insurance requirements

Please explain:

3d. Bonding requirements

Please explain:

3e. Contract bidding procedures

Please explain:

3f. Government standards

Please explain:

3g. Environmental impact statements

Please explain:

3h. Involvement of interest groups

Please explain:

3i. Other_____

4. Do any of the following represent benefits to the customer of having concessionaires in public areas?

4a. Less expensive facilities and services

Yes_____No_____Don't know_____

4b. Greater variety of services and facilities

Yes_____No_____Don't know_____

4c. More efficient operation of facilities and services

Yes_____No_____Don't know_____

4d. Better maintained facilities

Yes_____No_____Don't know_____

4e. Other_____

5. Are there additional services that you think could be successfully provided by concessionaires in public recreation areas?

6. Are you aware of any innovative O&M programs which have been tried successfully or unsuccessfully in public recreation areas?

(Examples: Use of volunteer groups to sponsor clean-up days: youth employment programs; private sector management of facilities; leaseback arrangements; Partnership with public agencies, etc.)

Interviewer: Be specific in your description. Does approach provide full or potential O&M? What are cost savings, other benefits, or disadvantages?

7. On a scale of 1 through 5, with one being poor quality and five being top quality, how would you generally rate the business environment of the following....

1-5

7a. COE Recreation areas_____ Don't know_____
in your state

7b. State parks in your state_____Don't know_____

7c. County parks in your state_____Don't know_____

7d. Privately operated areas_____Don't know_____
in your state

8. How do you think an increased role for state and local governments in the management of federal facilities would affect concessionaires?

8a. No effect on business environment_____

8b. Improved business environment_____

If so, How?

8c. Decline in business environment_____

If so, How?

9. How do you perceive a joint (state) or (local) effort would impact the existing quality of recreational opportunities at COE facilities?

Same_____Improved_____Diminished_____

Why?

10. Should the Corps continue to provide O&M at recreation facilities in your state? Yes____No____Don't know_____

11. If change is necessary, who should provide O&M at COE areas?

11a. Other Federal Agency: Yes____No____Don't know_____

11b. State Agency: Yes____No____Don't know_____

11c. County or Local Agency: Yes____No____Don't know_____

11d. Private sector: Yes____No____Don't know_____

11e. Joint Approach: Yes____No____Don't know_____
(specify 11a-11d plus COE. Circle those mentioned)

11f. Other

12. Can you suggest other individuals with whom we should discuss these questions?

For the Interviewer:

On a scale of one to five, with one being poor quality and five being top quality, please rate the above interview on the following points.....

- a. Cooperativeness_____
- b. Were they knowledgeable_____
- c. Did they give you needed time_____
- d. Interest in project_____
- e. Overall quality of interview_____
- f. Potential as future source of additional information

Now go through the interview results and highlight those points which are of particular interest and value.

11f. Other

QUESTIONNAIRE FOR RESORT DEVELOPERS

What business are you in? _____

Date of Survey _____

1. Has your firm ever been involved with a development project on publicly owned recreation lands?

Yes _____ No _____

1a. If yes, how many? _____ What Agency? What Location?

	<u>Agency</u>	<u>Location</u>	<u>Type</u>	<u>Agreement/Years</u>
Contract 1				
Contract 2				
Contract 3				
Contract 4				
Contract 5				

1b. For contracts no longer in operation, why have they not been renewed?

2. Are there any essential elements that would be required by your firm if you were to consider developing a resort/recreation project on public lands?

2a. Prime scenic location Yes _____ No _____ Don't know _____

2b. Proximity to large population centers

Yes _____ No _____ Don't know _____

2c. Potential as resort area

Yes _____ No _____ Don't know _____

2d. Long term lease agreement Yes____No____Don't know____

2e. Financial package (leasebacks, subsidy, etc.)

Yes____No____Don't know____

2f. Revenue Potential Yes____No____Don't know____

2g. License to serve alcoholic beverages

Yes____No____Don't know____

2h. Access to public transportation

Yes____No____Don't know____

2i. Exclusivity clauses Yes____No____Don't know____

2j. Other_____

3. Can you identify any incentives that may induce you to consider developing resort/recreational facilities on public lands?

3a. Tax breaks Yes____No____Don't know____

3b. Favorable Lease Periods Yes____No____Don't know____

3c. Grants (similar to Urban Development Action Grant or Community Development Block Grant which are no longer available)

Yes____No____Don't know____

3d. Government subsidy Yes____No____Don't know____

3e. Other_____

4. Are there major disadvantages of potential development on public lands? (Interviewer: Ask as open question. Circle and number responses as given)

4a. Bidding procedures Yes____No____Don't know____
4b. Government standards Yes____No____Don't know____
4c. Insurance requirements Yes____No____Don't know____
4d. Bonding requirements Yes____No____Don't know____
4e. Fee structure arrangements Yes____No____Don't know____
4f. Limited profit potential Yes____No____Don't know____
4g. Lease agreement Yes____No____Don't know____
4h. Environmental impact statements
Yes____No____Don't know____
4i. Involvement of interest groups
Yes____No____Don't know____
4j. Alcohol restrictions Yes____No____Don't know____
4k. Hours of operation Yes____No____Don't know____
4l. Other_____

5. What areas of operation in public recreation facilities do you think could be successfully opened up to private resort developers? (check those applicable)

5a. RV Parks_____
5b. Hotels_____
5c. Conference Centers_____
5d. Restaurants_____
5e. Ski Resort_____
5f. Dude Ranches_____

5g. Lodges/Cabins_____

5h. Golf Course_____

5i. Marina_____

5j. Beaches_____

5k. Water parks_____

5l. Theme parks_____

5m. Other_____

6. Would you be willing to provide O&M to an existing recreation area as part of your agreement to develop resort facilities within the area? (O&M may include mowing grass, garbage pick-up, rest room cleanup, etc.)

Yes_____No_____Don't know_____

7. Are you aware of any resort operations currently participating in the O&M of any COE recreation facilities?

Interviewer: Be specific in your description. Does approach provide full or partial O&M? What are cost savings, other benefits, or disadvantages?

8. How do you think an increased role of state and local governments in the management of federal facilities would affect private resort developers?

8a. No effect on business environment_____

Why?

8b. Improved business environment_____If so, How?

8c. Decline in business environment_____ If so, How?

9. How do you perceive a joint (state) or (local) effort would impact the existing quality of recreational opportunities at COE facilities?

Same _____ Improved _____ Diminished _____

Why?

10. Should the Corps continue to provide O&M at recreation facilities in your state? Yes___No___Don't know___

11. If change is necessary, who should provide O&M at COE areas?

11a. Other Federal Agency: Yes___No___Don't know___

11b. State Agency: Yes___No___Don't know___

11c. County or Local Agency: Yes___No___Don't know___

11d. Private sector: Yes___No___Don't know___

11e. Joint Approach: Yes___No___Don't know___

(specify 11a-11d plus COE. Circle those mentioned)

11f. Other

12. Can you suggest other individuals with whom we should discuss these questions?

For the Interviewer:

On a scale of one to five, with one being poor quality and five being top quality, please rate the above interview on the following points.....

- a. Cooperativeness_____
- b. Were they knowledgeable_____
- c. Did they give you needed time_____
- d. Interest in project_____
- e. Overall quality of interview_____
- f. Potential as future source of additional information

Now go through the interview results and highlight those points which are of particular interest and value.

QUESTIONNAIRE FOR ANCILLARY SERVICE PROVIDERS

What business are you in? _____

Date of Survey _____

1. Does your company currently have a concession(s) contract(s) with a public agency?

Yes _____ 1a. How many contracts? _____ How many locations?

1b. What arrangement best describes your current situation?

Lease _____ Ownership _____ Other _____

No _____ 1c. If no, have you ever contracted with a public agency?

Which ones?

When?

Why not now?

2. We'd like your opinion about the advantages and disadvantages of operating a business near a public recreation area. Based on your experience and perceptions, please categorize the following factors as an advantage, disadvantage or neither.

IN TERMS OF:

2a. Prime location

Advantage _____ Disadvantage _____ Neither _____

Please explain:

2b. "Ready-made" market

Advantage _____ Disadvantage _____ Neither _____

Please explain:

2c. Profitability

Advantage_____Disadvantage_____Neither_____

Please explain:

2d. Government concessions within the recreation area

Advantage_____Disadvantage_____Neither_____

Please explain:

2e. Government operation of the recreation area

Advantage_____Disadvantage_____Neither_____

Please explain:

2f. Interference of interest groups

Advantage_____Disadvantage_____Neither_____

Please explain:

2g. Seasonality of Business

Advantages_____Disadvantage_____Neither_____

Please explain:

2h. Hours of Operation

Advantage_____Disadvantage_____Neither_____

Please explain:

2i. Other_____

3. Does the fee structure used by the COE or another public agency prevent you from charging fees you would like to charge?

Yes_____No_____ Please explain:

4. What government restrictions or requirements would prevent you from seeking a concession contract to provide services in a public recreation area? (Interviewer: Allow respondent to provide answers. Circle appropriate response and number responses in order provided.)

4a. Fee structure or pricing policy arrangement

Please explain:

4b. Lease agreement

Please explain:

4c. Insurance requirements

Please explain:

4d. Bonding requirements

Please explain:

4e. Contract bidding procedures

Please explain:

4f. Government standards

Please explain:

4g. Environmental impact statements

Please explain:

4h. Interference of interest groups

Please explain:

4i. Other_____

5. What specific areas of operation in public recreation facilities do you think could be successfully opened up to business owners in the private sector? (check those mentioned)

5a. Campgrounds_____ 5e. Boat slips/docks_____

5b. Swimming areas_____ 5f. Horseback riding_____

5c. Boat rentals _____ 5g. Other_____

5d. Lawn Maintenance_____

6. In terms of your business' profitability, what type of management of the recreation area located nearest to you would be best for your business?

6a. COE_____

6d. Local_____

6b. Other Federal agency_____

6e. Private_____

6c. State_____

6f. Other_____

7. How do you perceive a joint state or local effort with the COE would impact you as a private provider of recreation near an existing COE recreation area?

No impact_____ Positive impact_____ Negative impact_____

Why?

8. Should the Corps continue to provide O&M at recreation facilities in your state? Yes____No____Don't know_____

9. If change is necessary, who should provide O&M at COE areas? (Interviewer: Ask this as an open-ended question. Circle appropriate response.)

9a. Other Federal Agency

9b. State Agency

9c. County or Local Agency

9d. Private sector

9e. Don't know

10. Can you suggest other individuals with whom we should discuss these questions?

For the Interviewer:

On a scale of one to five, with one being poor quality and five being top quality, please rate the above interview on the following points....

- a. Cooperativeness_____
- b. Were they knowledgeable_____
- c. Did they give you needed time_____
- d. Interest in project_____
- e. Overall quality of interview_____
- f. Potential as future source of additional information

Now go through the interview results and highlight those points which are of particular interest and value.

The final step is to transfer the interview findings to the response sheet.

QUESTIONNAIRE FOR USERS/CONSERVATION GROUPS

What is your zip code_____

Date of Survey_____

What is your interest in recreation areas?

User_____Conservation concerns_____

Other_____

Are you affiliated with any recreation/conservation organization? Yes_____No_____

Which?

1. Have you ever used a Corps of Engineers Recreation facility?

Yes_____No_____Don't know_____

If yes, which ones?_____

If yes, how would you compare the quality of COE facility to other recreation areas you have utilized?

_____ 1a. About the same

_____ 1b. Better quality

_____ 1c. Poorer quality

_____ 1d. Don't know

The following questions ask you to rate the Corps, other public (state, local, and other Federal), and private providers as managers of recreational resources. Answer the following questions, based on your experience or your perceptions.

2. The first several questions concern facilities, such as campgrounds, restrooms, picnic and beach areas.

(1)	(2)	(3)	(4)	(0)
<u>COE</u>	<u>Other</u> <u>Public</u>	<u>Private</u>	<u>Other</u>	<u>Don't</u> <u>Know</u>

- 2a. In general, who has the best facilities?
- 2b. In general, who would maintain facilities most attractively?
- 2c. In general, who would most efficiently operate and maintain the facilities?
- 2d. In general, who offers the least costly facilities to the user?
- 2e. In general, who has a greater regard for the area's natural and wildlife resources?

3. The next several questions focus on services, such as boat rentals, horseback riding, or interpretive services.

(1)	(2)	(3)	(4)	(0)
	Other			Don't
<u>COE</u>	<u>Public</u>	<u>Private</u>	<u>Other</u>	<u>Know</u>

- 3a. In gernerel, who provides the best quality services to users?
- 3b. In general, who would most efficiently operate and maintain the service?
- 3c. In general, who would provide services at the least cost to the user?

4. Indicate whether the following should or should not be allowed in a publicly owned recreation area?

(1)

(2)

(0)

Should Should Not Don't Know

4a. Campgrounds for tents and trailers

4b. RV parks

4c. Facilities and services that incorporate the natural environment (beaches, boating, hiking trails, etc.)

4d. Constructed recreational facilities (tennis courts, swimming pools, ski areas, etc.)

4e. Resort area with hotel, restaurant, conference center

4f. Opportunities to purchase alcoholic beverages

4g. Opportunities for gambling

4h. Theme parks (i.e. water slides, amusement parks)

4i. Other _____

5. Sometimes state and local government agencies operate and maintain recreation areas at Federal projects. How do you think an increased role for state and local governments in the management and operation of federal facilities would affect the following...

(1) (2) (3) (0)
Greater Lesser Same Don't know

5a. Quality of services being provided?

5b. Overall quality of recreation area?

5c. Quality of area's O&M?

5d. Cost of recreation experience.

6. On a scale of 1 through 5, with one being poor quality and five being top quality, how would you generally rate the following areas that you have visited:

	<u>1-5</u>	<u>Don't know (0)</u>
6a. COE Recreation areas	_____	_____
6b. State parks	_____	_____
6c. County parks	_____	_____
6d. Privately operated recreation areas	_____	_____

7. What is your favorite recreation area?

7a. Who owns/operates it?

7b. What services are available?

7c. Who provides them?

8. Can you suggest any other individuals who would be of value for us to contact pertaining to this study?

For the Interviewer:

On a scale of one to five, with one being poor quality and five being top quality, please rate the above interview on the following points....

- a. Cooperativeness_____
- b. Were they knowledgeable_____
- c. Did they give you needed time_____
- d. Interest in project_____
- e. Overall quality of interview_____
- f. Potential as future source of additional information

APPENDIX C

DATA RESULTS

- o Non-Federal Public Agency Survey Results
- o COE Concessionaire Survey Results
- o Resort Developers/Non-COE Concessionaire Survey Results
- o Other Service Providers Survey Results
- o Users/Conservation Group Survey Results

DATA RESULTS

QUESTIONNAIRE FOR STATE, LOCAL (COUNTY/OR COMMUNITY), REGIONAL AGENCIES

Total Surveys: 121

With what agency are you affiliated?

State:	66%
County:	31%
Municipality:	0%
Regional:	1%
Academic:	1%
U.S. Govt:	1%

1. Does your agency lease lands from the COE for recreation purposes?

Yes:	50%
No:	48%
Don't Know:	1%
Not Applicable:	1%

2. Does your agency also operate and maintain recreation areas on it's own lands?

Yes:	89%
No:	9%
Don't Know:	1%
Not Applicable:	1%

- 3a. Is your agency attempting to acquire more recreation lands either through lease or purchase?

Lease:	1%
Purchase:	25%
Lease and Purchase:	51%
No:	21%
Don't Know:	1%
Not Applicable:	1%

- 3b. If not, why?

Budget Reasons:	7%
Have what they need:	8%
No explanation:	8%

4. As you may know, the Corps primarily charges fees only for camping facilities at its projects. Does this current policy affect your ability to charge or the amount you would like to charge for any of the following:

Entrance Fees:

Yes:	9%
No:	85%
Don't Know:	2%
Not Applicable:	4%

User Charges:

Yes:	11%
No:	83%
Don't Know:	2%
Not Applicable:	4%

5. Does your agency have any legal, financial, or philosophical constraints that would prohibit any of the following, regarding management of public recreation areas?

5a. Private ownership of lands?

Legal Constraints:	31%
Financial Constraints:	0%
Philosophical Constraints:	21%
All Three Constraints:	2%
Non-Specified Constraints:	3%
No Constraints:	41%
Don't Know:	1%
Not Applicable:	1%

5b. Responsibility for operation and maintenance?

Legal Constraints:	4%
Financial Constraints:	4%
Philosophical Constraints:	7%
All Three Constraints:	0%
Non-Specified Constraints:	0%
No Constraints:	82%
Don't Know:	1%
Not Applicable:	0%

5c. Restriction on collection of or use of fees and charges?

Legal Constraints:	19%
Financial Constraints:	1%
Philosophical Constraints:	12%
All Three Constraints:	0%
Non-Specified Constraints:	1%
No Constraints:	65%
Don't Know:	2%
Not Applicable:	0%

5d. Contracting with concessionaires to provide recreational services?

Legal Constraints:	9%
Financial Constraints:	0%
Philosophical Constraints:	8%
All Three Constraints:	0%
Non-Specified Constraints:	2%
No Constraints:	78%
Don't Know:	2%
Not Applicable:	1%

5e. Resort developments?

Legal Constraints:	10%
Financial Constraints:	3%
Philosophical Constraints:	20%
All Three Constraints:	0%
Non-Specified Constraints:	3%
No Constraints:	60%
Don't Know:	1%
Not Applicable:	2%

6. Are you aware of any innovative O&M programs that have successfully or unsuccessfully provided the full or partial O&M of public recreation areas?

Volunteer Groups:	7%
Corporate Sponsors:	1%
Friends of Park Group:	3%
Non-Profit Groups:	4%
Leasebacks:	5%
Trust Funds:	2%
Army Reserve Units:	1%
Partnerships:	10%
Youth Groups:	0%
Prison Release Programs:	3%
Private Concessions:	17%
University Assistance:	2%

7. Do you think your agency would be willing to participate in the operation and maintenance of Federally-owned recreation facilities in any of the following ways...

7a. Technical assistance?

Yes:	82%
No:	13%
Don't Know:	4%
Not Applicable:	1%

7b. In-kind services?

Yes:	66%
No:	23%
Don't Know:	10%
Not Applicable:	1%

7c. Partial financial responsibility for O&M?

Yes:	52%
No:	39%
Don't Know:	8%
Not Applicable:	1%

7d. Take over O&M in accordance with COE standards?

Yes:	52%
No:	34%
Don't Know:	13%
Not Applicable:	1%

7e. Complete control of financial responsibility of O&M?

Yes:	50%
No:	39%
Don't Know:	10%
Not Applicable:	1%

8. Would any of the following "incentives" encourage your organization to participate in the O&M?

8a. Total Federal funding if your state can operate it cheaper than the Corps?

Yes:	82%
No:	10%
Don't Know:	7%
Not Applicable:	1%

8b. Transfer of land ownership?

Yes:	73%
No:	16%
Don't Know:	10%
Not Applicable:	1%

8c. Input in project operation decisions?

Yes:	65%
No:	27%
Don't Know:	6%
Not Applicable:	2%

8d. Input in land use of area?

Yes:	71%
No:	23%
Don't Know:	3%
Not Applicable:	3%

8e. Challenge grants?

Yes:	59%
No:	24%
Don't Know:	15%
Not Applicable:	2%

9. Do you have any thoughts as to what the benefits of a cooperative O&M effort between the COE and a non-Federal government agency at COE facilities might be?

A: More Responsiveness:	29%
B: More Efficient:	31%
C: More Uniform/Consistent	3%
D: More Recreation Opportunities:	35%
E: Share Expertise:	3%
F: Broader Funding Base:	3%
G: Reduce Federal Burden:	3%

10. Do you have any thoughts as to what the costs of or constraints to a cooperative O&M effort between the COE and a non-Federal government agency at COE facilities might be?

I: More Bureacracy:	31%
J: Conflicting philosophies:	16%
K: Undefined Responsibilities:	9%
L: Lack of Long Range Funding:	10%
N: State Funding Constraints:	22%
O: Interference of COE:	7%

11. How do you perceive a joint (Corps/state) or (Corps/local) effort would impact the existing quality of recreational opportunities at COE facilities?

Same:	22%
Improved:	62%
Diminished:	9%
Don't Know:	7%

12. On a scale of 1 through 5, with one being poor quality and five being top quality, how would you generally rate the following...

12a. COE recreation areas Average: 4

12b. State Parks in your state Average: 4

12c. County parks in your state Average: 3

12d. Privately operated areas Average: 3

13. Should the Corps continue to provide O&M at recreation facilities in your state?

Yes:	82%
No:	7%
Don't Know:	10%
Not Applicable:	1%

14. If change is necessary, who should provide O&M at COE areas?

14a. Other Federal Agency:

Yes:	36%
No:	47%
Don't Know:	11%
Not Applicable:	6%

14b. State Agency:

Yes:	53%
No:	31%
Don't Know:	12%
Not Applicable:	4%

14c. County or local agency:

Yes:	40%
No:	45%
Don't Know:	9%
Not Applicable:	6%

14d. Private Sector:

Yes:	28%
No:	56%
Don't Know:	11%
Not Applicable:	5%

14e. Joint approach:

Yes:	62%
No:	24%
Don't Know:	12%
Not Applicable:	2%

DATA RESULTS

QUESTIONNAIRE FOR COE CONCESSIONAIRES

Total Surveys: 93

What business are you in?

Marina:	69%
Campground:	4%
Resort:	7%
Food:	1%
Other:	3%

1. Does your company currently have a concession(s) contract (s) with a public agency?

Yes 100%

- 1a. What is the primary nature of the concession you operate?

Full service marina:	53%
Slip/dock rental:	26%
R.V. park	3%
Campsites:	17%
Restaurant/lodge:	14%
Boat rental:	12%
Other:	9%

- 1b. What arrangement best describes your current situation?

Concession:	6%
Lease:	43%
Ownership:	4%
Lease/ownership:	17%
Concession/Lease:	5%
Concession/Lease/ Ownership	18%

2. Are there any advantages or disadvantages of being a concessionaire in a public area?

- 2a. Prime location

Advantage:	71%
Disadvantage:	8%
Neither:	21%

- 2b. Fee structure arrangement

Advantage:	31%
Disadvantage:	13%
Neither:	56%

2c. Profitability

Advantage:	33%
Disadvantage:	28%
Neither:	39%

2d. Lease agreement

Advantage:	30%
Disadvantage:	34%
Neither:	36%

2e. Insurance requirements

Advantage:	6%
Disadvantage:	41%
Neither:	53%

2f. Bonding requirements

Advantage:	7%
Disadvantage:	3%
Neither:	90%

2g. Contract bidding procedures

Advantage:	4%
Disadvantage:	6%
Neither:	90%

2h. Government standards

Advantage:	12%
Disadvantage:	41%
Neither:	47%

2i. Environmental impact statements (or regulations)

Advantage:	14%
Disadvantage:	13%
Neither:	73%

2j. Involvement of interest groups

Advantage:	14%
Disadvantage:	4%
Neither:	82%

2k. Alcohol restrictions

Advantage:	11%
Disadvantage:	26%
Neither:	63%

2l. Gambling restrictions

Advantage:	10%
Disadvantage:	1%
Neither:	89%

2m. Hours of operation

Advantage:	17%
Disadvantage:	3%
Neither:	80%

2n. Dealing with government bureaucracy

Advantage:	5%
Disadvantage:	66%
Neither:	40%

3. Are there any policy procedures or requirements that would prevent you from seeking a renewal of your present concessionaire agreement or from pursuing a new contract?

Fee structure or pricing	
policy arrangement:	8%
Lease agreement:	6%
Insurance requirements:	10%
Contract bidding procedures:	7%
Government standards:	5%

4. Do any of the following represent benefits to the customer of having concessionaires in public areas?

4a. Less expensive facilities and services

Yes:	62%
No:	31%
Don't Know:	7%

4b. Greater variety of services and facilities

Yes:	83%
No:	13%
Don't Know:	4%

4c. More efficient operation of facilities and services

Yes:	84%
No:	11%
Don't Know:	5%

4d. Better maintained facilities

Yes:	68%
No:	26%
Don't Know:	6%

5. Are there additional services that you think could be successfully provided by concessionaires in public recreation areas?

Restaurant:	9%	Yacht Club:	1%
Playground:	3%	R.V. Park:	4%
Picnic/Campsite:	10%	Babysitting:	1%
Lodging/Hotel:	12%	Golf Course:	1%
Other:	26%		

6. Are you aware of any innovative O&M programs which have been tried successfully or unsuccessfully in public recreation areas?

Yes:	4%
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7. On a scale of 1 through 5, with one being poor quality and five being top quality, how would you generally rate the business environment of the following:

7a. COE Recreation areas:	Average = 3
7b. State parks in your state:	Average = 4
7c. County parks in your state:	Average = 4
7d. Privately operated areas:	Average = 4

8. How do you think an increased role for state and local governments in the management of federal facilities would affect concessionaires?

8a. No effect on business environment:	3%
8b. Improved business environment:	16%
8c. Decline in business environment:	81%

9. How do you perceive a joint (state) or (local) effort would impact the existing quality of recreational opportunities at COE facilities?

No effect:	25%
Improved:	22%
Diminished:	53%

10. Should the Corps continue to provide O&M at recreation facilities in your state?

Yes:	69%
No:	22%
Don't Know:	9%

11. If change is necessary, who should provide O&M at COE areas/?

11a. Other Federal Agency

Yes:	14%
No:	74%
Don't Know:	12%

11b. State Agency

Yes:	15%
No:	77%
Don't Know:	8%

11c. County or Local Agency

Yes:	16%
No:	75%
Don't Know:	9%

11d. Private sector

Yes:	52%
No:	37%
Don't Know:	11%

11e. Joint approach

Yes:	28%
No:	61%
Don't Know:	11%

DATA RESULTS

QUESTIONNAIRE FOR RESORT DEVELOPERS/NON-CORPS CONCESSIONAIRES

Total Surveys: 36

What business are you in?

Resort	50%
Marina	17%
Campground	11%
Golf	3%
Other	19%

1. Has your firm ever been involved with a development project on publicly owned recreation lands?

Yes	58%
No	42%

1a. Total number of Contracts 60

2. Are there any essential elements that would be required by your firm if you were to consider developing a resort or recreation project on public lands?

	<u>Yes</u>	<u>No</u>	<u>Don't Know</u>
2a. Prime scenic location	75%	19%	6%
2b. Proximity to large population centers	39%	58%	3%
2c. Potential as resort area	33%	64%	3%
2d. Long term lease agreement	58%	39%	3%
2e. Financial package (leasebacks, subsidy, etc.)	33%	58%	9%
2f. Revenue Potential	72%	25%	3%
2g. License to serve alcoholic beverages	25%	69%	6%
2h. Access to public transportation	11%	86%	3%
2i. Exclusivity clauses	33%	64%	3%

3. Can you identify any incentives that may induce you to consider developing resort/recreational facilities on public lands?

	<u>Yes</u>	<u>No</u>	<u>Don't Know</u>
3a. Tax breaks	42%	53%	5%
3b. Favorable Lease Periods	58%	36%	6%
3c. Grants	22%	72%	6%
3d. Government subsidy	28%	66%	6%

4. Are there major disadvantages of potential development on public lands?

Bidding procedures	6%
Government standards	17%
Insurance requirements	9%
Fee structure	11%
Lease agreement	14%
Absence of fee simple title	28%
Bureaucracy	19%
Philosophical difference	3%
Uncontrolled public use	9%

5. What areas of operation in public recreation facilities do you think could be successfully opened up to private resort developers?

RV Parks	11%
Hotels	3%
Conference Centers	3%
Restaurants	3%
Ski Resort	3%
Lodges/Cabins	6%
Marina	6%
Unlimited Opportunities	42%

6. Would you be willing to provide O&M to an existing recreation area as part of your agreement to develop resort facilities within the area? (O&M may include mowing grass, garbage pick-up, rest room cleanup, etc.)

Yes	67%
No	19%
Don't know	14%

7. Are you aware of any resort operations currently participating in the O&M of any COE recreation facilities?

Data Analysis Not Available

8. How do you think an increased role of state and local governments in the management of federal facilities would affect private resort developers?

No effect on business environment	22%
Improved business environment	12%
Decline in business environment	47%
Don't Know/Not Applicable	19%

9. How do you perceive a joint (state) or (local) effort would impact the existing quality of recreational opportunities at COE facilities?

Same	20%
Improved	20%
Diminished	15%
Don't Know	12%
Not Applicable	33%

10. Should the Corps continue to provide O&M at recreation facilities in your state?

Yes	17%
No	39%
Don't know	5%
Not Applicable	39%

11. If change is necessary, who should provide O&M at COE areas?

	<u>Yes</u>	<u>No</u>	<u>Don't Know</u>
11a. Other Federal Agency:	3%	61%	36%
11b. State Agency:	3%	64%	33%
11c. County or Local Agency:	3%	64%	33%
11d. Private sector:	58%	9%	33%
11e. Joint Approach:	53%	14%	33%

DATA RESULTS

QUESTIONNAIRE FOR ANCILLARY SERVICE PROVIDERS

Total Surveys: 24

What business are you in?

Campground	88%
RV Park	12%

1. Does your company currently have a concession(s) contract(s) with a public agency?

Yes	4%
No	96%

2. We'd like your opinion about the advantages and disadvantages of operating a business near a public recreation area. Based on your experience and perceptions, please categorize the following factors as an advantage, disadvantage or neither.

	<u>Advantage</u>	<u>Disadvantage</u>	<u>Neither</u>
2a. Prime location	54%	29%	17%
2b. "Ready-made" market	46%	33%	21%
2c. Profitability	25%	46%	29%
2d. Government concessions within the recreation area	17%	33%	46%
2e. Government operation of the recreation area	17%	50%	33%
2f. Interference of interest groups	4%	13%	83%
2g. Seasonality of Business	13%	17%	70%
2h. Hours of Operation	4%	4%	92%

3. Does the fee structure used by the COE or another public agency prevent you from charging fees you would like to charge?

Yes	54%
No	42%
Don't Know	4%

4. What government restrictions or requirements would prevent you from seeking a concession contract to provide services in a public recreation area?

Fee structure or pricing
policy arrangement 8%

Contract bidding procedures 4%

Environmental impact statements 4%

5. What specific areas of operation in public recreation facilities do you think could be successfully opened up to business owners in the private sector?

Campgrounds 13% Boat slips/docks 4%

Boat rentals 4% Horseback riding 4%

Lawn Maintenance 4% Unlimited Areas 67%

6. In terms of your business' profitability, what type of management of the recreation area located nearest to you would be best for your business?

	<u>Yes</u>	<u>No</u>	<u>Don't Know</u>
6a. COE		92%	8%
6b. Other Federal Agency		92%	8%
6c. State	8%	84%	8%
6d. Local	8%	84%	8%
6e. Private	75%	17%	8%

7. How do you perceive a joint state or local effort with the COE would impact you as a private provider of recreation near an existing COE recreation area?

No impact	21%
Positive impact	18%
Negative impact	39%
Case by Case	18%
Don't Know	4%

8. Should the Corps continue to provide O&M at recreation facilities in your state?

Yes	63%
No	17%
Don't know	20%

9. If change is necessary, who should provide O&M at COE areas?

9a. Other Federal Agency	13%
9b. State Agency	8%
9c. County or Local Agency	8%
9d. Private sector	67%
9e. Don't know	4%

DATA RESULTS

QUESTIONNAIRE FOR USERS/CONSERVATION GROUPS

Total Surveys: 77

What is your interest in recreation areas?

User	19%
Conservation	10%
Both	71%

Are you affiliated with any recreation/conservation organization?

Yes	84%
No	16%

Organizations:

National Campers and Hikers Association	10%
Trout Unlimited	25%
National Audubon Society	9%
Winnebago-Stasca Travelers	13%
Appalachian Mountain Club	14%
National Wildlife Foundation	8%
Other	12%

1. Have you ever used a Corps of Engineers Recreation facility?

Yes	65%
No	20%
Don't Know	15%

If yes, how would you compare the quality of COE facility to other recreation areas you have utilized?

About the same	24%
Better quality	24%
Poorer quality	8%
Don't know	44%

2a. In general, who has the best facilities?

COE and Other Public	7%
COE	21%
Other Public	34%
Private	22%
Other	2%
Don't Know	14%

2b. In general, who would maintain facilities most attractively?

COE and Other Public	5%
COE	17%
Other Public	39%
Private	17%
Other	5%
Don't Know	17%

2c. In general, who would most efficiently operate and maintain the facilities?

COE and Other Public	4%
COE	18%
Other Public	35%
Private	23%
Other	0%
Don't Know	20%

2d. In general, who offers the least costly facilities to the user?

COE and Other Public	4%
COE	31%
Other Public	38%
Private	5%
Other	0%
Don't Know	22%

2e. In general, who has a greater regard for the area's natural and wildlife resources?

COE and Other Public	8%
COE	20%
Other Public	44%
Private	5%
Other	6%
Don't Know	17%

3a. In general, who provides the best quality services to users?

COE	5%
Other Public	14%
Private	26%
Other	2%
Don't Know	53%

3b. In general, who would most efficiently operate and maintain the service?

COE	6%
Other Public	12%
Private	23%
Other	3%
Don't Know	56%

3c. In general, who would provide services at the least cost to the user?

COE	19%
Other Public	19%
Private	3%
Other	0%
Don't Know	59%

4. Indicate whether the following should or should not be allowed in a publicly owned recreation area?

	(1)	(2)	(0)
	<u>Should</u>	<u>Should Not</u>	<u>Don't Know</u>
4a. Campgrounds for tents and trailers	96%	1%	3%
4b. RV parks	70%	18%	12%
4c. Facilities and services that incorporate the natural environment (beaches, boating, hiking trails, etc.)	98%	1%	1%
4d. Constructed recreational facilities (tennis courts, swimming pools, ski areas, etc.)	44%	48%	8%
4e. Resort area with hotel, restaurant, conference center	31%	58%	11%
4f. Opportunities to purchase alcoholic beverages	17%	74%	9%
4g. Opportunities for gambling	7%	88%	5%
4h. Theme parks (i.e. water slides, amusement parks)	16%	5%	79%

5. Sometimes state and local government agencies operate and maintain recreation areas at Federal projects. How do you think an increased role for state and local governments in the management and operation of federal facilities would affect the following...

	(1)	(2)	(3)	(0)
	<u>Greater</u>	<u>Lesser</u>	<u>Same</u>	<u>Don't know</u>
5a. Quality of services being provided?	30%	34%	19%	17%
5b. Overall quality of recreation area?	30%	32%	21%	17%
5c. Quality of area's O&M?	30%	31%	23%	16%
5d. Cost of recreation experience.	52%	12%	22%	14%

6. On a scale of 1 through 5, with one being poor quality and five being top quality, how would you generally rate the following areas that you have visited:

	<u>Average Rating</u>
6a. COE Recreation areas	4
6b. State parks	4
6c. County parks	4
6d. Privately operated recreation areas	3

7. What is your favorite recreation area?

Resort Area	5%
COE	10%
National Park	39%
Other Park	20%
Miscellaneous	12%
Disney	1%
Undecided	13%

- 7a. Who owns/operates it?

COE	9%
Federal Government	42%
Non-federal Government	18%
Private	14%
Other	1%
Don't Know	16%

7b. What services are available?

Resort	1%
Camping	58%
Primitive	5%
Full Service	18%
Other	4%
Don't Know	14%

7c. Who provides them?

Same as 7a.	23%
Different from 7a.	10%
Don't Know	67%

APPENDIX D

ADDITIONAL COMMENTS FROM SURVEY RESPONDENTS

ADDITIONAL COMMENTS FROM SURVEY RESPONDENTS

NON-FEDERAL PUBLIC AGENCIES

4. Does the Corps' current fee policy affect your ability to charge the amount you would like to charge?

User fees go directly to State Park fund (gsk056)*

There was a decline in use of facilities due to state imposing fees and Corps not imposing user fees (gsk006)

Competition with Corps over user fees (gsk004, gsk111, gsk023, gsk030, md0004)

5. Does your agency have any legal, financial, or philosophical constraints that would prohibit management of public recreation areas?

Three areas were turned back to Corps due to Corps standards (gsk046)

Supports closing facilities if justified (gsk006, gsk009)

Supports "user pays" philosophy (tm0024)

Corps can cancel agreement within 60 days (tm0028)

Does not want Corps involved in leases (tm0039)

Can not use private contractors due to unionization of staff (gsk010)

6. Are you aware of any innovative O&M programs that have successfully or unsuccessfully provided the full or partial O&M of public recreation areas?

Leases for grazing, harvesting wild rice makes money for O&M (gsk111)

14. If change is necessary, who should provide O&M at COE areas?

State with Corps (gsk010)

*Indicates initial of interviewer and the number of questionnaires he/she had completed at that point.

Any combination depending on situation (gsk022, tm0008)
O&M should be left how it is (gsk051, md0001)
There should be partnerships between Corps and all others (gsk110)
Forest Service should take over O&M (gsk062)
State should run facilities but they need Corps funding (gsk006, gsk059, gsk009)
Fish and Wildlife Service should take over O&M (gsk036)
Private agencies are not successful (ms0004)
Areas better run when Corps provided O&M by itself (gsk112)
Maintenance agreement should be made with neighboring land owner (tm0022)
Vehemently against privatization (tm031)

MISCELLANEOUS COMMENTS

Change terms and conditions of forever and ever clause (gsk006)
Corps areas must be kept as outdoor recreation (gsk110, tm0019)
Would like more involvement by Corps. Corps not able to maintain water levels.
(gsk110)
Corporate sponsorship of public recreation areas (tm040)
Community programs to support O&M fosters volunteerism and reduces vandalism (tm034)
Should transfer land ownership to the states (tm0001, gsk009)
Has previously gone to Corps with suggestions but was ignored (gsk019)

CORPS CONCESSIONAIRES

What business are you in?

<u>Business</u>	<u>ID Number</u>
Restaurant/lodging	adg12 ts7 ts4 ms12 gsk117
Campground	ec1-1
RV park	adg4
Other-duck hunting	adg14

1a. What is the primary nature of the concession you operate?

<u>Type of Business</u>	<u>ID Number</u>
Campground	ms17 adg30 gsk56 adg9 adg8 adg29 adg21 gsk53 ec1-2 ec1-13
Restaurant/lodging	adg30 gsk56 adg16 gsk14 gsk40 ts7 ms14 ms13
Boat rental	ms17, nmp41 adg33, adg22 adg6, adg17 nmp43, adg18

<u>Type of Business</u>	<u>ID Number</u>
Boat rental	ms14
RV park	ms13
Boat slips/dock	adg28 gsk56
Full service marina	ms8
Other - public use park Picnic area/beach	ecl-9

2. Are there any advantages or disadvantages of being a concessionaire in a public area?

2a. In terms of prime location:

Advantages:

None

Disadvantages:

More advantageous if free enterprise on lake (gsk50)

COE on prime site; this is not prime area. COE is competition (gsk37)

On Mississippi River - when high water - business is bad (ecl-1)

2b. In terms of fee structure arrangement:

Advantages:

Gross fixed asset - incentive deal (gsk56)

Annual lease - no percentage - no hassle (adg20)

Disadvantages:

COE allows county to set fee structure (adg19)

Fee structure arranged with county (gsk48)

Business seasonal - government demands anticipated year's rent in advance (lump sum). Would prefer monthly payments based on revenue of previous month (gsk40)

Would not pay COE fee - leases with city (ecl-6)

Second leasee (COE/state) - would like to lease from only one (ecl7)

Taxes went up (ecl-1)

2c. Profitability:

Advantages:

Allows investment to increase (gsk56)

Disadvantages:

Profitable, but COE is cutting back on services and he is still paying same amount. (adg9)

No check on quality of water; city allowed to draw down on lake - this will put him out of business (gsk53)

Bad weather - high reservoir - and put out of business - no compensation (gsk14)

Regularly losing money - more of a challenge than hobby (gsk40)

Has not been as profitable as expected; influenced by oil business and farming industry (gsk39)

Rent based upon sales - large boats cost too much in rent (ecl-3)

2d. Lease agreement:

Advantages:

Lease promotes capital improvements (gsk53)

Long term lease (25 years) (gsk116)

25 year lease agreement with COE a big advantage (ecl-11)

Disadvantages:

Would like to start negotiations now (2 or 3 years before lease expires) (gsk52)

Lease agreement should be for longer time (nmp42)

COE reneged on deal. Neighboring trailers were to stay; now no longer allowed (adg20)

Lease does not guarantee lake levels; need longer lease than 25 years (gsk53)

Cannot do anything without permission; would rather own land (adg3)

Places them in competition with state-financed facilities (gsk40)

Maximum stay for mobile home shortened to 18 days. Mobile home sites provided capital to subsidize facilities which lost money. Mobile homes removed per lease agreement, but COE then refused to renew lease. Lost \$45,000 because of this. (gsk40)

State agreement much better than COE lease - state provides roads, trash removal, water, etc.

Would prefer a clause to prevent COE from expanding their facilities without including his as part of overall plan (gsk37)

Will not renew in mid-lease; provides no security. Lease slanted to COE advantage (gsk13)

For expansion a 50 yr. lease would be better or earlier notice of renewal (gsk117)

The 14-day trailer limitation is a disadvantage - lose money (ms13)

2e. Insurance requirements

Advantages:

None

Disadvantages:

Marina insurance tougher and tougher to obtain (ms7)

2f. Bonding requirements:

Renegotiated recently - in principal - bond disagrees (20 yr) (ecl-14)

2g. Contract bidding procedures:

Advantages:

None

Disadvantages:

Too highly competitive (adg8)

Were there for one year before lease offered - no negotiation (adgl6)

Would rather deal directly with COE (nmp42)

Does not think the lease should be let out to contract bidding (ecl-5)

2h. Government standards:

Advantages:

None

Disadvantages:

Government overkill in safety construction (adg9)

Policy interferes with rights to make profits (adg21)

In competition with COE (adg21)

Codes interpreted differently - non-technical people regulating
very technical matters (gsk40)

Government inflexible (ms12)

Government standards too complex for small business (ms9)

Small parks should not be subject to same restrictions as large
parks (ms8)

No uniform standards (gsk117)

Government changes their mind too often (gsk116)

Depends on area (ecl-14)

Some recent problems with COE - not specific (ecl-1e)

Government standards ridiculous (ecl-12)

2i. Environmental impact statements:

Advantages:

None

Disadvantages:

Gas tank/underground storage (adg29)

Extremely difficult for small operations to meet requirements (ms8)

Hard for small places to comply - need own septic system.
far fetched regulations (ecl-2)

Too expensive (ecl-11)

2k. Alcohol restrictions:

Advantages:

COE does a good job.

Disadvantages:

None

21. Gambling restrictions:

None

2m. Hours of operation:

Advantages:

None

Disadvantages:

Hours of operation too long in winter (adg7)

Expected to be open 24 hours - inconvenient (gsk39)

Season too short (May to Sept.) Would like to see longer season (ms9)

2n. Government bureaucracy:

Advantages:

Has learned how to work with COE (directly) (gsk56)

Has had excellent cooperation from COE (gsk37)

COE thoroughly knowledgeable - helps him learn (ecl-4)

Disadvantages:

Strictly political - concessionaires want more freedom (adg8)

COE should come to see site before making decisions (adgl9)

In times of drought - need to control water levels (adgl8)

COE people do not know laws, but act very autocratic. (gsk54)

Occupies 50% of owner's time (gsk40)

Money is wasted (ts4)

Government people have no experience (ts7)

Difficult to find out who is in charge at COE (ms15)

Cannot find out who is in charge. Pass the buck (ms6)

Government afraid to make decisions (ec1-6)

Dealing with government bureaucracy is always a disadvantage (gsk3)

Too much paperwork; haddled even when things done right but paperwork not done (gsk115)

Permitting too involved (gsk117)

COE inflexible with rules and regulations, but do not explicitly state what these rules are (gsk117)

20. Other:

Advantages:

Extra security

Does not mind regulations and paperwork - he benefits too. One's attitude determines advantage. It is a privilege to have lease (gsk16)

Disadvantages:

Local people are great, but their supervisor's rules are outrageous (adg19)

Lack of ownership (adg3)

COE does not advertise - even COE areas are sometimes empty. These should be leased to another concessionaire (gsk14)

Why don't the local residents run the lake with government guidelines (ms6)

Would like COE to participate in more promotion of parks (gsk3)

Compliance requirements (gsk1)

3. Are there any policy procedures or requirements that would prevent you from seeking a renewal of your present concessionaire agreement or from pursuing a new contract?

3a. Fee structure

Competition between him and COE - he cannot charge normal private campground rates due to proximity of COE facility (gsk37)

Would not renew if rent raised or state taxes increased (ms9)

3b. Lease agreement

Would like longer term lease agreement (adg26)

3c. Insurance

Too difficult to get insurance - also it is too high (ms8)

3e. Contract bidding

Wants to be able to negotiate before expiration of lease (adg12)

Contract negotiations very difficult because of state lease; direct contact with COE would have been easier (gsk1)

3f. Government standards

Upgrading facilities may be required (adg7)

Standards of COE rigid, but in good taste and make for good business (gsk78)

4. Do any of the following represent benefits to customer of having concessionaire in public areas?

4d. Better maintained facilities:

Feds have more money to spend to maintain facilities (gsk45)

Equally well maintained (adg11)

Facilities would be equally well maintained (adg10)

Not necessarily better maintained, but done less expensively (gsk39)

COE campground 25 miles away - spent much money - very nice - big operation (ecl-1)

5. Are there additional services that you think could be successfully provided by concessionaires in public recreation areas?

Restaurant and weekend activities (adg11)

Expand boating facilities :

adg12	adg17
gsk78	adg26
adg20	gsk46
gsk14	gsk40
gsk37	ms20
ms18	ms9
gsk3	

Expand/create beach/picnic areas:

adg16	ms14
ecl-9	ecl9

Pool:

ecl-1

Horseback riding:

gsk37

Long term RV park:

gsk117
gsk41

Provide all services public demands:

gsk56
adg21
gsk16
gsk1
gsk115

Other things:

Hot dog stand (adg6)

Fun activities - waterslide (adg3)

Conference rooms (gsk40)

Enclosed fishing dock, but cannot raise capital -always in competition with taxpayer-financed facilities (gsk40)

Should consider those already established (gsk16)

Problem is getting customer into marked (ms15)

Activities (ecl-3)

Portable food/beverage stand at COE beach (gsk3)

Miniature golf (gsk115)

6. Are you aware of any innovative O&M programs which have been tried successfully or unsuccessfully in public recreation areas?

Stauffers' Clean Up (adgl9)
Little Rock & COE (adgl7)
Pepsi Clean Up (adgl7)
Coke Clean Up (adgl7)
Great Altoona Clean up (gsk53)
Keep America Beautiful (ts4)
Canoe Clubs (ts4)
Lake Shore Clean Up (ts4)
Grapevine Sailing Private Club (ms11)
Coast Guard (ms11)
Western Carolina Sailing Club (ms9)
CA Dept. of Boating and Waterways (ecl-11 (low cost loans/
agreements to build ramps)

Retired volunteers (gsk40)
Boy Scouts (ms10)
Girl Scouts (ms10)
Boating associations (gsk3)
Interpretive history (ecl-13)
Wildflower preservation/local garden clubs (ecl-13)

8. How do you think an increased role for state and local governments in the management of federal facilities would affect concessionaires?

8b. Improved business environment:

There will be better law enforcement help from state and local governments (gsk45)

Improved if funding increased (adgl10)

Keeps people honest when more eyes are watching them (gsk48)

Closer attention from state (gsk52)

COE now over-regulated (gsk46)

State people easier to talk with (gsk39)

Lands are managed, work with local business people (ts4)

State has many more voices and opinions on certain issues (ms18)

State/county has more leverage with COE. Concessionaires would be better protected (gsk115)

County recognizes economic benefits - more responsive to his needs (gsk117)

8c. Decline in business environment:

More politics (gsk55)

Decline, because it is fine the way it is (adg7)

Local government - few people run everything - nepotism (gsk49)

Would be more expensive; more confusion (gsk50)

Cost may be higher (adg28)

State would operate at cheaper rates - more competition for him (gsk47)

More tax dollars used to subsidize operations of public areas - more competition for him (gsk43)

No freedom of services (ts7)

This would be disastrous - first thing state would do would be to tax everything (gsk16)

State worse than feds at operating areas - has bad track record (gsk16)

Private would be better (gsk13)

More people to please (ms22)

More politics on state/local level (gsk3)

From personal experience - state went into direct competition with a prior business of his and put him out of business (gsk1)

County tried joint effort with COE and it did not work (ecl-5)

Taxes would increase and also red tape (ms8)

9. How do you perceive a joint (state) or (local) effort would impact the existing quality of recreational opportunities at COE facilities?

Improved because of law enforcement help (gsk45)

Would need to raise prices (adg9)

Recreation tax -state gave nothing back (adgl7)

County took concession away from previous owner due to poor handling of business (gsk48)

Time consuming due to local lake management (adgl6)

Too time consuming filling out papers and reports (adg20)

Would give up his concession agreement immediately if O&M were joint state or local effort with COE (gsk41)

Local effort poor all around (gsk38)

Now COE very well run operation - do not change it (ts8)

COE already good (do not change)(ecl-14))

11. If change is necessary, who should provide O&M at COE facilities?

Seasonal aspect deters private sector (gsk52)

Get rid of county involvement (gsk38)

Local and private joint (ecl-9)

Joint approach - state and private (ecl-14)

* need partnership of public and private because roads too expensive

Joint state and county (ecl-13)

Additional Comments:

The problem with the lake management is bad attitude, slow to act and too domineering (adgl6)

COE should continue to provide O&M, but user fees must be used (gsk53) Each lake takes on personality of resource manager

COE does not charge public for use of boat ramps; this takes away his business and is unfair competition (gsk43)

COE should provide erosion control (shoreline is eroding (gsk43)

COE divisions competing with each other (gsk40)

COE - monthly inspection - discipline - appreciate these inspections (gsk40)

Each facility must be reviewed independently (gsk39)

Has thought a lot about changes in lease agreements, fee structure, etc. - that would make situation for concessionaire more equitable (gsk37)

Concerned about unfair competition between his campground and COE facility (gsk37)

No problems working with the corps (msl3)

Corps is very supportive of ideas/suggestions (msl1)

Corps should continue to provide O&M, but it should get one quarter of the money from taxes (ms8)

Should construct more hiking trails - hiking clubs willing to do this. (gsk3)

Corps thoroughly knowledgeable - (ecl-4)

Would like money for improvements from Corps - (ecl-1)

Currently he is in direct competition with COE at RV park. COE put in RV park after he had his in, COE can lose money, but he cannot. COE charges lower rates and gets all the business (gsk115)

COE civilian personnel will not take initiative to help concessionaires (gsk115)

Waste due to bureaucracy (ecl-11)

Corps "sorry got into recreation" per newspaper (ecl-10)

RESORT DEVELOPERS

What business are you in?

Canoe rental and lodging (gsk108)
Lodging, restaurant and activities (gsk109)
Financial consultant to resort developers (gsk106)
Campground (gsk94, gsk74)
Trail rides (gsk91)
Marina (gsk77, gsk69)
Food service, retail, recreation (gsk64)
River trips (gsk62)
Operate land and river expeditions (gsk61)

1a. Has your firm ever been involved with a development project on publicly owned recreation lands? If yes, what agency, location, type, and time period?

Agency	NPS
Location	Buffalo National River, Gilbert, AR
Type	Concession, 1.5% finance fee
Agmt./yrs.	No limit as long as he maintains standards or sells business (gsk63)

Agency	NPS
Location	Rocky Mountain, Grand Tetons, Lake Meade (2), S. Padre Island, Amistad
Type	Concession
Agmt./yrs.	1 year to 25 years depends on history of concessionaire Increments of 5 years (gsk80)

Agency	NPS
Location	Grand Canyon
Type	Concession
Agmt./yrs.	Renew annually (gsk66)

Agency
Location
Type
Agmt./yrs.

NPS
Buzzard National River
Concession
5 years - first right of refusal
(gsk108)

Agency
Location

Type
Agmt./yrs.

NPS
Yellowstone, Everglades, Bryce-Zion, Death
Valley, Grand Canyon, Kennedy Space
Center, 6 State Parks
Concession
Depends on investment 10-20 years
(gsk109)

Agency
Location
Type
Agmt./yrs.

NPS
Bryce Canyon, Zion, N. Rim Grand Canyon
Concession
5, 5, 10 years respectfully
(gsk91)

Agency
Location
Type
Agmt./yrs.

NPS
All Washington D.C.
Concession
6, 15, 20 years
(gsk90)

Agency
Location

Type
Agmt./yrs.

NPS
Throughout country - Dana'i, Mesa Verde
and Lake Powell
Concession
Forever - unless wants out
(gsk83)

Agency
Location
Type
Agmt./yrs.

NPS
C&O Canal
Concession
25 years
(gsk82)

Agency
Location
Type
Agmt./yrs.

NPS
N. Cascades
Concession
10 years
(gsk81)

Agency
Location
Type
Agmt./yrs.

NPS
Grand Tetons
Concession
Not stated
(gsk76)

Agency
Location
Type
Agmt./yrs.

NPS
Mt. Ranier, Sequoia, National Capital
Region
Concession
25 years
(gsk64)

Agency
Location
Type
Agmt./yrs.

NPS
Big Bend, TX Olympia, WA Royal, MI Momouth
Cave, KY, Blue Ridge, VA
Concession
20 years
(gsk69)

Agency
Location
Type
Agmt./yrs.

NPS
Rough Canyon N.P.
Own property/lease
10 years
(gsk68)

Agency
Location
Type
Agmt./yrs.

NPS
Shenendoah N.P.
Concession
4 years
(gsk67)

Agency
Location
Type
Agmt./yrs.

NPS
Lake Meredith
Franchise/ownership
10 years
(gsk114)

Agency
Location
Type
Agmt./yrs.

Not stated
Lake Hartwell, S.C., Grand Lake of
Cherokees, Lake Tablerock
On Corps lakes, but not Corps property
25 years
(gsk94)

Agency NFS
Location Lake Shasta (2), California Delta (1)
Type Concession
Agmt./yrs. 5, 10 years
(gsk77)

Agency NPS
Location Lake Meade (3), Lake Mohave (1)
Type Concession
Agmt./yrs. 10 years
(gsk77)

Agency NPS
Location Canyon Lands
Type Concession
Agmt./yrs. 3-5 years renewable
(gsk61)

Agency BLM
Location Green River, Colorado River, San Juan
Type Concession
Agmt./yrs. 3-5 years renewable
(gsk61)

Agency NFS
Location Salmon N.F., Hungry Horse
Type Permits (rafting)
Agmt./yrs. 1 year
(gsk62)

3. Can you identify any incentives that may induce you to consider developing resort/recreational facilities on public lands?

Ownership (private) - work outside (gsk63)

Lower franchise fees (gsk80)

Government always wants much more than a marina can provide (gsk107)

Terms of financing, debt service during start up, interest only, moratorium on debt (gsk106)

Fundamental cost element relief - make rates low enough to give developer competitive edge (gsk105)

Positive cash flow (gsk95)

Low cost lease (gsk94)

Exclusivity (gsk91)

Attractions/demand must be there (gsk90)

Cost of doing business (gsk83)

Anything to help make money - help advertise (gsk81)

Minimal risk, high volume of visitors (gsk64)

Economic viability, visitor numbers fairly certain (gsk69)

Less user fees (gsk61)

4. Are there major disadvantages of potential development on public lands?

Seasonal operation, dealing with general public (although this is mostly enjoyable, bureaucratic red tape (gsk63)

NPS pricing policy (gsk80)

Federal law supersedes AYH regulations (gsk66)

Cannot charge going rate for slip rental. Water quality lessens demand. Live aboards not allowed. (gsk107)

Bureaucratic red tape (gsk108)

Remoteness of areas (gsk109)

Time is money (gsk101)

Voters' perception of use of public lands (gsk95)

Congress changing their mind, do not own property (gsk90)

Dealing with government both local and national is overwhelming (gsk83)

Cannot do what you want to do. NPS process slow and tedious. Cannot respond to public needs (gsk81)

Restrictions: 100% governed by NPS. Difficult to upgrade (gsk77)

People do not know the business (even though NPS dictates lengthy bureaucratic approval process) (gsk76)

Law enforcement aspect important (gsk75)

Not being able to own, limits on long term capital expenditures, limitations due to government regulations, lack of control over development (gsk74)

Regulations of private firm would probably have to change considerably, would no longer have control of property (gsk73)

Very limited in what they can do with NPS (gsk64, gsk114)

Dealing with regulatin authority drives up the cost of doing business (gsk69)

NPS standards do not always apply (gsk67)

Right of ownership (mdl)

Government bureaucracy - permit procedures (gsk62)

Government regulations (gsk61)

5. What areas of operation in public recreation facilities do you think could be successfully opened up to private resort developers?

Rafting, horseback riding (insurance prohibative) (gsk63)

Bicycle rental, trail guides year round (gsk66)

Horseback riding, river trips (gsk76)

Rentals, stores, fuel, campgrounds, fishing licenses (gsk75)

Campgrounds (gsk73, gsk69)

9. How do you perceive a joint (state) or (local) effort would impact the existing quality of recreational opportunities at Corps facilities?

More regulations - more layers are a disincentive to business, puts limitations on opportunities (gsk106)

Make local users more aware of facilities (mdl)

11. If change is necessary, who should provide O&M at Corps areas?

Joint approach - state - private approach (gsk66)

Private sector - as long as business is there, otherwise government must subsidize (gsk109)

Private sector - although this does create unfair advantages - who gets the opportunity - cannot be political (gsk72)

Must be best for land and people (gsk72)

Private sector to provide O&M for recreation areas, not infrastructure (gsk69)

Private sector could help reduce budget - make area a profit center (gsk104)

Additional Comments

Someone with clout must have oversight and review of O&M, but not day to day operations (gsk97)

Public agency mission must be clear. Expertise is with private sector. Private perspective in business is to make money to exist. Public perspective is to maintain assets for American people. Different missions and different agendas. Problem comes with meshing these roles. (gsk101)

Innovative O&M - already do this - memo of understanding for trail system (gsk67)

ANCILLARY SERVICE PROVIDERS

2. We'd like your opinion about the advantages and disadvantages of operating a business near a public recreation area. Based on your experience and perceptions, please categorize the following factors as an advantage, disadvantage or neither.

IN TERMS OF:

2a. Prime location

State parks nearby but no campsites (tmm47)

2c. Profitability

Normally rates too cheap at state parks (tmm40)

Government keeps prices artificially low (tmm46)

Corps paid \$72,000 for new bathhouse and they still charge \$6 a night (tmm52)

2e. Government operation of the recreation area

Any government facility should charge what it costs to operate (tmm52)

People using BLM (primitive camp) go to her camp for water, etc. It is disruptive (tmm51)

Only if private enterprise could not handle it (md1)

3. Does the fee structure used by the Corps or another public agency prevent you from charging fees you would like to charge?

Corps undercuts private places (md3)

Corps fees are low. State and Corps fees similar. Corps does not have the cost of private sector. This is a big problem. (md1)

Income has to meet expenditures in private sector (md4)

4. What government restrictions or requirements would prevent you from seeking a concession contract to provide services in a public recreation area?

They would not be interested in concession contract (tmm45, tmm48)

Red tape of government (tmm40)

Handicap restrictions (tmm46)

Government does not have to follow same codes. Government requires so many facilities, dump stations at private campgrounds, but not at government areas. In this city, the population doubles in winter because of government recreation facilities. (tmm51)

Government takes too long to make decisions (tmm43)

Too much paperwork (md1)

6. In terms of your business' profitability, what type of management of the recreation area located nearest to you would be best for your business?

Depends on how agency managed it - look at it on individual basis (tmm45)

He has better chance of influencing state fees (tmm46)

Do management on an individual basis (tmm43)

7. How do you perceive a joint state or local effort with the Corps would impact you as a private provider of recreation near an existing Corps recreation area?

Funding to provide facilities that private sector cannot get (md3)

State and federal government are not required to meet same standards as private campgrounds - i.e. electric, water, sewage, health, etc. Government costs are lower (tmm42)

It depends on what the facility is that we are looking at (tmm50)

Need to look at it on a case by case basis (tmm43)

Private sector can handle recreational needs of people (md1)

Feel state and local would be better - better communication (tmm47)

8. Should the Corps continue to provide O&M at recreation facilities in your state?

Corps should only be in areas of - primitive camping, education, not have nice RV camps with electric, water and sewer (tmm41)

Corps should continue O&M but charge accordingly (tmm40)

The Corps should not provide facilities that the private providers can (nmp44)

9. If change is necessary, who should provide O&M at Corps areas?

Case by case basis is necessary (tmm43)

Government intervention - they are too far removed from what is really going on (tmm47)

Corps dumps sewage into lakes - violates own rules: health, water, etc. (tmm49)

Income should cover cost of facility (tmm53)

USER/CONSERVATION GROUPS

Are you affiliated with any recreation/conservation organization?

<u>Organization</u>	<u>ID Number</u>
Camping Clubs	adg049
U.S. Boardsailing Association	gsk093
Nature Conservancy, National Resource	gsk087
Council/Maine, Rails to Trails	
NY/NJ Trail Conf., NJ Env. Lobby	adg054
Nature Conservancy	adg041
National Wilderness Society	adg043
Oklahoma Campground User Assoc.	nmp004
National Recreation Park Assoc.	nmp046
N. Carolina Recreation Park Assoc.	nmp035
New Hampshire Society for Protection	nmp029
of Forests	
Missouri Parks & Recreation Assoc.	nmp036
many	nmp031
	nmp037

1. Which Corps of Engineers recreation facilities have you used?

<u>Corps Facility</u>	<u>ID Number</u>
W. River, Jamaica, VT	mfd053
Jennings Randolph Dam/N. Branch	mfd054
Potomac	
Tennessee/Mississippi area	mfd055
Central PA area	nmp006
New Hampshire/VT dam area	gsk093
Ocee River	gsk087
Dorena Lake (Oregon)/Washington	gsk086
Tonston Dam, Hot Brook	adg052
Eastern CA	adg041
Hill Pot	adg040
Crooked Creek	adg039
Raystown Lake	gsk083
Ten Killer, Grand Lake, Keystone Lake,	adg037
Birch Lake	
Mississippi River area	adg036
Montana and Vermont area	adg043
Cherry Creek/Chatfield	adg046
Baymodel, Warmsprings	adg047
Asterbay on Big Horn River	adg048
Modock	nmp002
Harlen Co. Reservoir, Nebraska	nmp018
Atwood	nmp011
Kinzua/Nightville Dam area	nmp028

Corps Facility	ID Number
Woodcock Dam	nmp027
Rathbun	nmp026
Canyon Lake	nmp031
Summersville Dam	adg053
Jordan Lake	nmp035
Lake Isabella	tm0027
Black River Dam area	nmp029
Ft. Peck, MT	nmp038
Chatfield Dam, Denver and Green River	nmp034
many	nmp009, nmp010, nmp025, gsk089, nmp024, nmp032, nmp004, nmp046, nmp033, nmp036, nmp020, nmp017, nmp014

4. Indicate what should or should not be allowed in a publically owned recreation area.

Should allow

Limit on Corps land (adg052)

Theme parks (adg036)

Opportunity to be exposed to nature (adg045)

Constructed recreational facilities - depending on area (adg046, adg048, nmp035)

Permits on seasonal dams (adg047)

Resort - but close control by government (gsk088)

Various facilities depending on area and need (nmp046, nmp019, nmp023, adg043)

Should not allow

Anything that will interfere with environment (gsk089, gsk087, adg036, adg044)

Motor vehicles - four wheelers (adg042)

All terrain vehicles (adg053)

APPENDIX E

SUGGESTED CONTACTS FOR IN-DEPTH
INTERVIEWS OR WORKSHOP ATTENDANCE

SUGGESTED CONTACTS FOR IN-DEPTH INTERVIEWS OR WORKSHOP ATTENDANCE

Non-Federal Public Agency Contacts

Gene Andal, Director
Parks and Recreation Department
Sacramento, CA
Tel: 916/366-2070

Mary Ann Black, Director
Parks and Recreation Department
Hillsborough, NC
Tel: 919/732-9361

Mike Carrier, Administrator
Parks, Recreation, & Preserves
Department of Natural Resources
Des Moines, IA
Tel: 515/281-5207

Larry Cartee
South Carolina Wildlife and
Marine Resources
Tel: 803/734-3991

Mickey Carter, Director
County Parks
Colorado Springs, CO
Tel: 719/520-6375

G. T. Donceel, Director
Reservoir Management
Indiana Dept. of Natural Resources
Indianapolis, IN
Tel: 317/232-4060

Edward Fite III
Scenic Rivers Commission
Tahlequah, OK
Tel: 918/456-3251

William C. Forrey, Director
Bureau of State Parks
Dept. of Environmental Resources
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Tel: 717/787-6640

Charles Harrison
Division of State Parks
Dept. of Parks, Recreation & Tourism
Columbia, SC
Tel: 803/734-0159

Jack Harrison, Chief Deputy Operations
Dept. of Parks and Recreation
Sacramento, CA
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Don Hyppa, Administrator
Parks Division
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Helena, MT
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Jane Jones
Dept. of Parks and Tourism
Little Rock, AR
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Jim Kennedy
Kentucky Dept. of Parks
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Dr. King, Director
Department of Natural Resources
Jackson, MS
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Steve Little, Director
County Parks and Recreation
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Robert Lucas
Dept. of Natural Resources
Columbus, OH
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Robert Meinen, Secretary
Kansas Dept. of Wildlife and Parks
Topeka, KS
Tel: 913/296-2281

Gerry Newcombe, Chief of Operations
County Regional Parks
San Bernardino, CA
Tel: 714/387-2594

Les Nichols
Michigan Dept. of Natural Resources
Recreation Division
Tel: 517/373-9900

David Talbot, State Parks Administrator
Dept. of Transportation, Parks and Recreation Division
Salem, OR
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Corps Concessionaires

Allen Barnes, President
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Flowery Branch, GA
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Jack Bolander, Manager
Holiday on Lake Lanier
Buford, GA
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Nancy Bowman
Chaonia Landing
Lake Wappapello
Williamsville, MO
Tel: 314/297-3206

Bernie Clevenger
Green River Marina, Inc.
Campbellsville, KY
502/491-6226

Mark Crawford
MPI Concessions
Des Moines, IA
515/263-8467

Shirley Cummins
Camp Texarkana/Paradise Cove
Texarkana, TX
Tel: 214/832-8161

Beth Kirby
Lakeside Village Resort
Kopperl, TX
817/775-4444

James Limeberry
Indian Point Boat Dock
Branson, MO
Tel: 417/338-2891

John Mangum
Bucksaw Point Resort
Truman Lake
Clinton, MO
Tel: 816/477-3313

Fred Murphy, Manager
Habersham Marina
Cumming, GA
Tel: 404/887-3107

Tim Murphy
Mountain Lake Campground
Summersville, WV
Tel: 304/872-4220

Jim Patterson
Seminole Sportsman's Lodge and
Marina, Inc.
Donalsonville, GA
Tel: 912/861-3524

John Patterson
Choctaw Marina, Inc.
Choctaw Boat Dock
Choctaw, AR
Tel: 501/745-2666

Bob Smith
Clarks Hill Marina
Plum Branch, SC
Tel: 803/443-5577

Lawrence A. Stadel, President
Light House Bay Marina
Pomona Lake
Vassar, KS
Tel: 913/828-4777

Rick Stone
Lakeview Marina
Sanger, CA
Tel: 209/787-3597

Ralph Swanson, President
Kimberling Marina & 13 Dock, Inc.
P O Box 279
Kimberling City, MO 65686
Tel: 417/739-2315

Resort Developers

Robert Brock, President
Golf Course Specialists
Washington, D.C.
Tel: 202/554-7660

James Broughton, Chairman
LEXES Leisure Group
1500 E. Tropicana Avenue
Suite 215
Las Vegas NV 89119
Tel: 702/736-7136

Michael Cousins, Vice President
Shawnee Development, Inc.
Box 93, Harvat Building
Shawnee-on-Delaware, PA 18356
Tel: 717/424-1165

Garner B. Hanson, President
National Park Concessions
Mammoth Cave, KY
Tel: 502/773-2191

Matt Miser, Exec. Vice President
Patten Corporation
646 Main Road
Stamford, VT 05352
Tel: 802/694-1581

Don Muncy
Richfiel Lakes
Michigan
Tel: 313/653-1040

Chris Rohr
Guest Services, Inc.
Alexandria, VA
Tel: 703/849-9300

John Shockley
1603 Oak Forest Court
Mobile, AL 36609
Tel: 205/666-1809

Carol W. Sullivan
Carol Sullivan & Assoc., Inc.
1900 L Street, NW
Suite 500
Washington, D.C. 20036
Tel: 202/835-0723

Other Service Providers

Bill Olendorf
Point South KOA
Yemassee, SC
Tel: 803/726-5733

James Thurber
Beaver Creek Family Campground
Cobb, CA
Tel: 707/928-4322

APPENDIX F
ADDITIONAL SURVEY RESULTS

ADDITIONAL SURVEY RESULTS

An additional 36 telephone surveys were completed after the analysis of the original 351 questionnaires was concluded. The breakdown of these additional questionnaires, and the new total of each group is shown in the following breakdown:

	<u>Previous Total</u>	<u>Additional Surveys</u>	<u>New Total</u>
Non-Federal Public Agencies	121	2	123
Corps Concessionaires	93	17	110
Resort Developers	36	1	37
Other Service Providers	24	10	34
Users/Conservation Groups	<u>77</u>	<u>6</u>	<u>83</u>
Total	351	36	387

A review of the additional 36 surveys reveals no significant differences in findings from the analysis of the original set of completed questionnaires. Based on this assessment, it was determined not to be beneficial to re-analyze the results.

**U.S. ARMY CORPS OF ENGINEERS
RECREATION STUDY**

VOLUME II: APPENDIX H

Governor and Agency Correspondence

GOVERNOR AND AGENCY CORRESPONDENCE

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STEVE COWPER
GOVERNOR

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 9, 1990

Major General R. S. Kem
Deputy Commander, U.S. Army
U.S. Army Corps of Engineers
Department of the Army
Washington, DC 20314

Dear General Kem:

Thanks for your letter inquiring into the management of the Chena River Lakes Recreation Area. This area is currently operated by the Fairbanks North Star Borough.

At this time, the State of Alaska has no plan to operate the area, but we do offer some thoughts on how to most efficiently manage such places.

Alaska operates a 120-unit, 3.5 million acre state park system that receives over 5 million visitors annually. Budget problems over the years have provided the incentive to seek innovative ways to operate our parks. We've implemented the following programs and operations to aid in maintaining services to the public under budget constraints:

- User fees in which the revenues are re-invested into the operational expenses of the facilities;
- Recruitment and use of volunteers (we find that non-Alaskan residents, in particular, are attracted to summer volunteer work in the state; and
- Commercial use permits and concessionaires to provide services which can be profitable in a recreation setting (we have several concessionaires, and over 300 commercial use permits were issued to small businesses in our park system last year).

We've used several other strategies to keep our recreation facilities open and well-maintained. At the same time, a realistic operating budget remains essential, and we urge your support for this "foundation strategy."

Major General R. S. Kem

- 2 -

February 9, 1990

Should you desire more information, please feel free to contact our State Parks Director, Neil C. Johannsen, at 3601 C Street, P.O. Box 107001, Anchorage, Alaska 99510-7001, telephone (907) 762-2600.

Sincerely,

Steve Cowper

Steve Cowper
Governor

cc: Commissioner Lennie Gorsuch
Department of Natural Resources
Commissioner Don W. Collinsworth
Department of Fish and Game
Neil Johannsen, Director
Division of Parks and Outdoor Recreation
Department of Natural Resources



ROSE MOFFORD
GOVERNOR

Office of the Governor

State Capitol, West Wing
Phoenix, Arizona 85007

January 4, 1990

MG R. S. Kem, USA
Deputy Commander
Department of the Army
U. S. Army Corps of Engineers
Washington, DC 20314

Dear General Kem:

Thank you for your letter regarding the effort to increase public recreation opportunities on Corps projects.

While there have been some points of contention between the State and the Corps projects at Alamo Lake and Painted Rocks, I think that, overall, good partnerships have evolved and that the public has benefits from them.

Regarding your specific request for information on laws, policies, or incentives that may further nurture these programs, I direct you to Ken Travous, our State Parks Director. Ken and his staff will be happy to assist you in this area.

I wish you the best in this endeavor. I remain

Sincerely,

A handwritten signature in cursive script, reading "Rose Mofford".

ROSE MOFFORD
Governor

RM:el

cc: Ken Travous



STATE OF ARKANSAS
OFFICE OF THE GOVERNOR
State Capitol
Little Rock 72201

Bill Clinton
Governor

February 23, 1990

Major General R.S. Kem
Deputy Commander, U.S. Army
Department of the Army
U.S. Army Corps of Engineers
Washington, D.C. 20314

Dear Major General Kem:

Thank you for your letter concerning the Recreation Task Force for the U.S. Army Corps of Engineers water resource projects. I have been very pleased with the operation of Corps recreational projects in Arkansas. These projects supply a great deal of recreation to our citizens and visitors, and their continued operation is critically important to the state's tourism industry.

I must question, however, why recreational facilities are being targeted for budget cuts. The economic impact of these facilities (for years to come) was used initially as a benefit in the cost benefit ratios to justify the large water-related projects. Closing the Corps facilities would be devastating to other public park providers and to local tourist facilities depending upon them. I feel certain the economic impact of these parks far outweighs their operational cost. Additionally, the public is visiting Corps facilities more than ever.

If private concession is used for park operation, proper maintenance of facilities and lands must be insured as well as service to the visitors. If an area the Corps owns becomes run down and the concession is cancelled, the Corps should be willing to rehabilitate and to reopen the facility.

Some possibilities exist for public/private partnerships. From the public sector side, an initial capitol investment by the Corps to rehabilitate an area or to restructure an area to a modified purpose might provide sufficient reason for a state or local park agency to risk assuming the operational cost. The Corps would have a front end investment but would be relieved of the long term operation and maintenance costs. Our Arkansas Department of State Parks and Tourism has made a similar proposal concerning a Corps overlook area on Bull Shoals Lake for conversion to a White River Visitor Center operated by the state.

If a small access area is not sufficiently used, the Corps might consider donating or selling moveable recreational facilities and equipment to communities near Corps projects who could use them, with the Corps keeping the ramp and lots open. This option is preferable to bulldozing or selling the facilities. The demand for local recreational facilities far outstrips the ability of government to fund them, but the demand is not always within a Corps project area.

While I applaud the Corps' commitment to keep the parks open, the approach proposed by the Corps could have a dire impact on Arkansas' tourism industry and the public in general. I urge the upmost caution. Thank you for allowing me this opportunity to respond.

Sincerely,

A handwritten signature in cursive script that reads "Bill Clinton". The signature is written in dark ink and is positioned above the printed name.

Bill Clinton

Resources Building
1416 Ninth Street
95814

(916) 445-5656

Department of Conservation
Department of Fish and Game
Department of Forestry
Department of Boating and Waterways
Department of Parks and Recreation
Department of Water Resources
California Conservation Corps

GEORGE DEUKMEJIAN
GOVERNOR OF
CALIFORNIA



THE RESOURCES AGENCY OF CALIFORNIA
SACRAMENTO, CALIFORNIA

Air Resources Board
California Coastal Commission
California Waste Management Board
Colorado River Board
Energy Resources Conservation
and Development Commission
San Francisco Bay Conservation
and Development Commission
State Coastal Conservancy
State Lands Commission
State Reclamation Board
State Water Resources Control
Board
Regional Water Quality
Control Boards

JAN 23 1990

Major General R. S. Kem
Department of the Army
U. S. Army Corps of Engineers
Washington, D.C. 20314-1000

Dear General Kem:

Your December 14, 1989 letter to Governor Deukmejian has been referred to me for reply. Your inquiry suggested the possibility of increased participation in Corps programs by other levels of government and by the private sector.

I understand and can sympathize with the fiscal situation faced by the Corps. State and local government agencies in California are dealing with a very similar fiscal environment, where the public demand for services seems to outstrip our ability to provide them.

The current State Comprehensive Outdoor Recreation Plan, California Outdoor Recreation Plan - 1988, discusses these issues and suggests specific actions which could be taken to resolve them. I am enclosing a copy for your information.

Here in California, the State Department of Parks and Recreation has convened the California Recreation Forum. The Forum meets quarterly and includes participation of Federal, State and local park and recreation suppliers on this Forum. Philip Turner represents the Corps of Engineers on this Forum. The issue raised in your letter would be an excellent subject for discussion among Forum members.

I hope the above information is helpful to you.

Sincerely,

A handwritten signature in cursive script that reads "Gordon K. Van Vleck".

Gordon K. Van Vleck
Secretary for Resources

Enclosure

cc: Philip Turner
Governor's Office

STATE OF COLORADO

Division of Parks & Outdoor Recreation

1313 Sherman Street, Rm. 618
Denver, Colorado 80203
Phone (303) 866-3437
Fax Number (303) 866-3206



April 4, 1990

Dave Wahus
Executive Director
Recreation Task Force
Corps of Engineers
CECW-ZR
20 Massachusetts Avenue, NW
Washington, D.C. 20314-1000

Dear Mr. Wahus,

General Kem contacted Governor Romer concerning the Recreation Task Force which the Corps of Engineers has established. Similarly, I have been contacted by the Corps' Omaha office concerning the recreation management of our Corps areas in Colorado. In response to these inquiries, I would like to share with you my thoughts regarding the opportunities which should be discussed about recreation management of the Corps areas which we manage.

We consider ourselves a non-federal partner with the Corps in the management of the recreation areas in our state. In that respect, I believe that there can be improvements and incentives built in continuing this relationship. First, I believe that the Corps needs to review its oversight operation. Through our contracts with you, it is our belief that we agreed to manage the day to day recreation of the Corps water projects. Based on our contracts, I see no reason for Corps involvement in the day to day operations of the recreation of the areas. For example, why should the Corps approve the charge to the public of a rental boat? By reconsidering this type of detail involvement in our management, the Corps may find opportunities to reassign resources to other meaningful tasks.

Second, I believe that the Corps must be more sensitive to the needs of our recreation management and our public user needs when decisions are made concerning the water levels of our areas. We realize that our projects are, for the most part, flood control projects. However, flood damage to facilities and the resulting effects on the public and our ability to manage the recreation must be part of the Corps water policy.

Third, we are concerned by the rigidity the Corps has applied to projects submitted for cost-sharing. We have had a cost share agreement with the Corps since 1973 at Cherry Creek Reservoir. This agreement references a 1971 Public Use Plan by the Corps. Since that plan is now extremely outdated, the Division prepared a new plan in 1985 and modified it to incorporate Corps comments.

Roy Romer
Governor

Ron C. Holliday
Director

Colorado Board of Parks
and Outdoor Recreation

Patricia B. McClearn
Chairman

James M. Robb
Vice Chairman

Kathleen M. Farley
Secretary

Clark L. Scriven
Member

Hubert A. Farbes, Jr.
Member

However, the Corps is still using the 1971 plan to determine if projects currently being submitted are eligible cost share items. In addition, the Corps' definitions for remodeling, major reconstruction and total new construction have reduced the opportunities to apply cost-sharing at Cherry Creek since much of the park was developed 20-25 years ago. The projects we are currently submitting involve a combination of reconstruction and new construction.

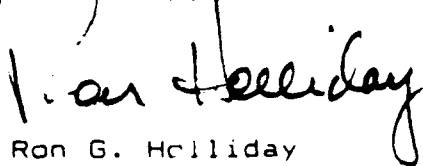
On August 5, 1988, we sent a letter to the Corps identifying items for cost-sharing and provided additional information on May 16, 1989, and July 13, 1989. Again on February 2, 1990, we sent a letter clarifying some questions asked of us. At this point we still do not know which items have definitely been accepted. In this particular case, the Corps has placed us in a very difficult position in the redevelopment of the Cherry Creek Reservoir. To have this type of continued delay causes me to question why the Corps should initiate a new effort when the current effort is unsatisfactory.

Finally, I suggest that the Corps look at its processes on responding to non-federal partners in areas of required review. Specifically, as the landowner, we believe that the Corps should approve our plans for construction at the areas we manage. However, the approval process is very, very slow. In many cases, we never even receive a response on these plans. To date, we have not been effective in getting faster replies. We believe that a streamlined approach involving approval of in-progress phases can be developed. It works with other federal agencies. I believe it can work with the Corps as well.

The thrust of General Kem's letter was to find ways to increase non-federal involvement. Until some of the current processes have been improved and we have incentives to respond to the Corps, I do not see much hope in the Corps being successful in enticing non-federal partners to increase their involvement.

I have been rather general in my remarks. I encourage you to call or visit with me and I will provide details and suggestions. We appreciate your interest in seeking our comments and I look forward to changes in the Corps which can be a positive benefit for Colorado.

Sincerely,


Ron G. Holliday
Director



STATE OF DELAWARE
DEPARTMENT OF NATURAL RESOURCES
& ENVIRONMENTAL CONTROL

89 KING HIGHWAY
PO BOX 1401
DOVER, DELAWARE 19903

OFFICE OF THE
SECRETARY

TELEPHONE 302 739 4400

January 5, 1990

Mr. Dave Wahus, Executive Director
Recreation Task Force, CECW-ZR
20 Massachusetts Avenue, NW
Washington, D.C. 20314-1000

Dear Mr. Wahus:

Governor Castle has asked me to respond to your letter of December 14, 1989, regarding the establishment of a Recreation Task Force by the Corps of Engineers. I am pleased to tell you that we have already become involved with the project.

Members of my staff in the Divisions of Parks and Recreation and Fish and Wildlife have been interviewed by Gail Keyes of your consulting firm, Greeley-Palhemus Group. They talked specifically about Corps lands and facilities along the Chesapeake and Delaware Canal.

If any follow-up is required for your survey, please contact Charles Salkin (736-5285) in the Division of Parks and Recreation.

Sincerely,

A handwritten signature in cursive script, reading "Edwin H. Clark, II".

Edwin H. Clark, II
Secretary

EHC:CAS:lw

cc: Honorable Governor Michael N. Castle

Georgia Department of Natural Resources

J. Leonard Ledbetter, Commissioner

205 Butler Street, S.E., Suite 1252, Atlanta, Georgia 30334

Lonice C. Barrett, Deputy Commissioner for Programs
404/656-4810

April 24, 1990

Mr. David J. Wahus
Executive Director
Recreation Task Force
ATTN: CECW-ZR
20 Massachusetts Avenue, N.W.
Washington, D. C. 20314-1000

Dear Dave:

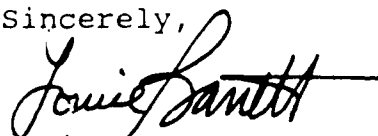
This letter is to acknowledge receipt of your invitation to participate in the workshop at the Colony Square Hotel in Atlanta, Georgia on April 26, 1990. Although we will not have staff attending the workshop, this letter is to share with you some information concerning this Department's position on the matter of operating DNR parks on Corps properties as well as the likelihood that we might be interested in assuming management responsibilities for additional federally owned lands.

This Department is experiencing many of the same types of budgetary difficulties being experienced by the Corps of Engineers. In fact, unless some additional funding is appropriated by the General Assembly for operating and maintenance expenses, we will be closing some facilities rather than taking on additional responsibilities. In fact, we expect to immediately close some facilities within the next 30 days because of budgetary problems.

Therefore, while there may be an exception (such as the Corps operated camping area adjacent George Bagby State Park near Georgetown), this letter is to advise you that this Department would need to give extremely careful consideration to any proposal to assume management of any Corps facilities which might become available. Given the austere budget appropriated by the Governor and General Assembly, we really do not anticipate being interested in assuming operation and management of additional Corps lands at state expense in the near future.

Best wishes to you in your workshop, and we appreciate the courteous working relationship that we enjoy with the Corps of Engineers.

Sincerely,



Lonice C. Barrett
Deputy Commissioner
for Programs

LCB/jm

cc: Commissioner J. Leonard Ledbetter
Mr. Rick Cothran
Mr. Gerald Purvis



EXECUTIVE CHAMBERS

HONOLULU

JOHN WAIHEE
GOVERNOR

December 28, 1989

Major General R. S. Kem
Department of the Army
U.S. Army Corps of Engineers
Washington, D.C. 20314

Dear General Kem:

Thank you for your letter of December 14, 1989, regarding participation by non-Federal public agencies in the development, enhancement and operation of recreation facilities at Corps projects.

The State of Hawaii has always been in favor of private-public partnerships in trying to resolve issues which confront us daily. In the same mode, we have always encouraged partnerships with our sister governmental agencies at the county or federal level.

We are not aware of any prohibition against State participation in federal programs in general. There is a general caveat, however, that State funds must be used for public purpose. For example, State funds may not be utilized on a federal project which denies use or access to the general public.

If there are any specific projects which we can comment on, please contact Mr. Russell N. Fukumoto, deputy to the Chairperson, Department of Land and Natural Resources (808-548-7519).

With kindest regards,

Sincerely,

A handwritten signature in dark ink, appearing to read "Waihee", is written over a horizontal line.

JOHN WAIHEE



OFFICE OF THE GOVERNOR

STATE CAPITOL

BOISE 83720

CECIL D. ANDRUS
GOVERNOR

(208) 334-2100

February 2, 1990

R.S. Kem
Major General, U.S. Army
U.S. Army Corps of Engineers
Washington, D.C. 20314

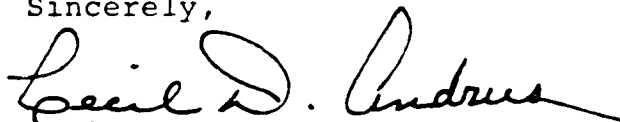
Dear General Kem:

Thank you for your letter of December 14, 1989
requesting comments concerning strategies or programs for
providing recreational opportunities at Corps projects.

I asked the Idaho Department of Parks and Recreation
to prepare a response on behalf of the state of Idaho.
Enclosed is a copy of that report.

With best regards,

Sincerely,


Cecil D. Andrus
Governor

CDA:abl
Enclosure
a/c/f 89121920 face
L0201.07



**IDAHO DEPARTMENT
OF
PARKS & RECREATION**



CECIL D. ANDRUS
Governor

YVONNE S. FERRELL
Director

STATEHOUSE MAIL
BOISE, IDAHO 83720
(208) 334-2154

Street Address
2177 Warm Springs Ave.



January 19, 1990

Cecil D. Andrus
Governor
State of Idaho
Statehouse Mail
Boise, ID 83720

Dear Governor Andrus:

Whenever one discusses the provision of park and recreation facilities there are several basic givens. There will be acquisition, personnel, operating, and capital equipment and development costs. As managers we need to decide what our mission is. If our mission deals with such intangibles as preservation and the public good, then we can probably expect to operate at something less than the break-even point. Each governmental agency must decide how close to the break-even point they wish to operate, or more likely are forced to operate.

The inception of the 1% initiative idea caused most recreational agencies to increase user fees. It appears this is one area the Corps has not taken an aggressive stance on. The Corps of Engineers has no doubt had some congressional directions that limit the application of fees and charges. The Corps decision to not allow the State of Idaho to collect the motorized vehicle entrance fee (MVEF) from everyone who entered Hells Gate State Park is an example. However the concept of the user paying for the use of facilities is a defensible idea. The Corps has recently reversed their earlier stated position and authorized the collection of MVEF at Hells Gate and Dworshak.

Within the Idaho Department of Parks and Recreation we have tried several alternative ways of providing facilities such as concessions and private contracts. Each of these have met with varying success. The point is each have merits depending on the location you are talking about. No one method is better than any other all the time.

Private enterprise can only do the job if they can make a profit. This means, in most cases, either they must do the job more efficiently than government can, or they be allowed to maximize the development of the land. While some believe private enterprise can almost always do it cheaper, we have

not found this to be the case. In the second case we have specific purposes for which each of our park areas were set aside. To allow too much development in certain areas might destroy the very reason the park was set aside.

One answer that we have all attempted at one time or the other is to shift the responsibility to some other agency. This has not solved the problem, only shifted it. Perhaps there is some middle ground that can be explored here. Our recent 1989 Idaho Governor's Conference on Recreation had as its mission "To integrate Idaho's recreation provider and facilitate provider coordination for the benefit of recreation users." And, "To begin the process of unifying Idaho's recreation providers in order to share knowledge and understanding of Idaho's recreation future." We were pleased staff from the Corps were able to attend.

This conference was exciting in that there seemed to be a sincere desire to make things work in Idaho. The only way we can do that is to truly put all our cards on the table and see what we can work out. If we could sit down and discuss each area from this point of view, perhaps we can find some middle ground.

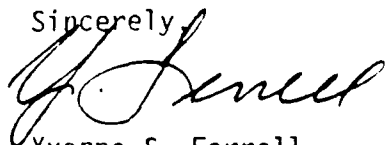
As always seems to be the case, funding is the bottom line. While our intentions are good, we in the Idaho Department of Parks and Recreation simply do not have enough funds to do what we would like to do. So we set priorities and work toward them. Lucky Peak and Dworshak reservoirs are both high on the list of important statewide recreational areas. This is evidenced by our continuing leases with the Corps on these two projects. This is not to say the other two areas would not be equally important if the Corps were not already operating them.

Our position on the Corps' efforts is one of support. However we are concerned with the repeated efforts to push responsibilities from the federal to the state level. This is particularly true when no funding comes with that responsibility. The park areas noted in your letter are in fact important not only to the people of the state of Idaho but to a very large number of people from other states. To see the maintenance levels drop or to see commercialization of these areas would not be in the best interests of the people in general.

Governor Andrus
January 19, 1990
Page 3

We would be more than happy to sit down with the Corps' staff and discuss their future plans for operation of their recreational facilities.

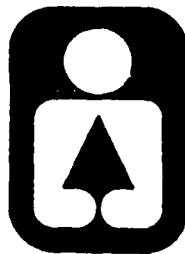
Sincerely,

A handwritten signature in cursive script, appearing to read "Y. Ferrell".

Yvonne S. Ferrell
Director

cjv/5249J

Illinois



Department of Conservation

life and land together

CHIEF OF STAFF
12 MAR 1990 10 02

LINCOLN TOWER PLAZA • 524 SOUTH SECOND STREET • SPRINGFIELD 62701-1787

CHICAGO OFFICE • ROOM 4-300 • 100 WEST RANDOLPH 60601

MARK FRECH, DIRECTOR - KATHY SELCKE, ASSISTANT DIRECTOR

March 2, 1990

Major General R.S. Kem
Deputy Commander
Department of the Army
U.S. Army Corps of Engineers
Washington, D.C. 20314

Dear Major General Kem:

Governor Thompson has asked me to respond to your December 14, 1989 letter concerning the Corp's establishment of a Recreation Task Force. We understand pressures on the Corp's operation and maintenance (O & M) budget are expected to intensify and the task force is charged with developing a plan to maintain and/or enhance public recreational opportunities at Corps water resource projects. In light of these pressures we support your commitment to find ways to sustain and/or enhance current O & M service levels.

There are four Corps districts currently serving Illinois (Chicago, St. Louis, Rock Island and Louisville) and on occasion we interact with a fifth district (Memphis). We are pleased with the cooperation extended by these districts and with the wide range of recreational opportunities afforded Illinois citizens through this cooperative effort. The opportunities these recreational areas afford must be maintained, therefore we offer our cooperation to the Corps in developing a plan that will focus on this goal.

Annually, the State of Illinois and the Corps Districts that serve Illinois meet to discuss Corps budget capabilities. Our meeting to discuss the 1991 budget is scheduled for late March, 1990. We expect the Recreation Task Force Plan will be a priority topic of discussion at this meeting.

Relative to operation of Corps recreation facilities by non-Federal public agencies and the private sector we have the following observations:

- 1) There are constraints that deter greater involvement by non-Federal interests. At the Corps of Engineers reservoirs, for example, we have developed a cooperative fisheries management program relative to construction and operation of fish rearing ponds and habitat projects. The Corps has made an even greater commitment recently regarding fish stocking, water level controls and other fish management activities. If the Corps scales down its efforts in operation and maintenance of its properties, such action may adversely affect our cooperative program to the detriment of the reservoir

fisheries.

- 2) Should the Corps find a private entity to operate and maintain access areas, one could expect that access fees would be charged by that entity. If fees are charged, it is expected a portion of the users would shift their activities to already heavily-used state-operated sites with concomitant increases in user-related activities and resource pressures to state-operated sites.
- 3) There are Corps sites that may have potential for operation by a private entity. Two sites (Mississippi River) that immediately come to mind are close to Lock & Dam 14 near Illiniwek Forest Preserve. The other, also on the Mississippi, is on Pool 16 near Loud Thunder Forest Preserve. Both of these preserves are operated by the Rock Island County Forest Preserve, 1504 3rd Ave., Rock Island, IL 61201 (309/786-4451). There are drawbacks to local agency operation however. On the lower Kaskaskia River the St. Louis Corps turned over several sites to local public entities for operation and maintenance. The local entities were unable to take care of the sites and they were closed; and,
- 4) From a State perspective, the Department would need to develop a major new initiative if it were to assume responsibilities for Corps facilities. Depending on which sites would be selected the Department's budget and ability to provide additional recreational opportunities for Illinois' citizens could be severely impacted for years to come.

I am deeply concerned that every effort must be made to assure both state and federal recreational facilities continue to operate effectively now and in the future. To this end, I have asked Mr. John Comerio, Director of the Office of Planning and Development (217/782-1807) to serve as the Department's contact person with the Recreation Task Force. We look forward to working with your staff, Mr. Dave Wahus, and with the Greely-Polhemus Group.

Thank you for the opportunity to participate in this important planning effort.

Sincerely,



Mark Frech
Director

RWL:mip

cc: Governor Thompson
John Comerio
Dave Wahus, Recreation Task Force
The Greely-Polhemus Group Inc.



OFFICE OF THE GOVERNOR
INDIANAPOLIS, INDIANA 46204 - 2797

EVAN BAYH
GOVERNOR

January 16, 1990

Mr. R. S. Kern
Major General, U. S. Army
Department of the Army
U. S. Army Corps of Engineers
Washington, D.C. 20314-1000

Dear General Kern:

Thank you for your recent letter concerning the Recreational Task Force that was established to develop a plan to maintain public recreational opportunities at Corps of Engineers projects.

You listed thirteen (13) projects located in Indiana; eight (8) reservoir projects and five (5) lock and dam projects. The eight (8) reservoir properties are currently leased to the State of Indiana for the operation of the recreational facilities:

Brookville Lake	DACW-27-1-74-77
Cagles Mill Lake	DACW-27-1-83-148
Cecil M. Harden Lake	DA-15-029-CIVENG-61-984
Huntington Lake	DACW-27-1-74-65
Mississinewa Lake	DACW-27-1-71-34
Monroe Lake	DACW-27-1-68-2174
Patoka Lake	DACW-27-1-79-127
Salamonie Lake	DACW-27-1-68-2298

The State of Indiana has had a good relationship with the Corps of Engineers in the operation of these facilities.

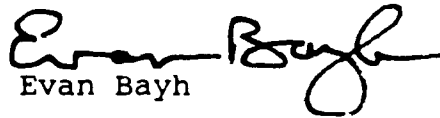
We have not encountered any existing laws, policies or constraints that have been obstructions to our operation of these facilities. Incentives that may be needed to build Federal/non-Federal partnerships would be a cost sharing of major capital investment in providing certain recreational facilities; i.e. campgrounds, ramps, marinas.

Mr. R. S. Kern
Page 2

As for Corps lock and dam projects on the Ohio River, several entities (River Marina Development Commission, local park boards, private developers/contractors) are interested in providing marina services on both the Ohio and Wabash Rivers.

Thank you again for soliciting the state's input.

Sincerely,


Evan Bayh



TERRY E. BRANSTAD, GOVERNOR

DEPARTMENT OF NATURAL RESOURCES

LARRY J. WILSON, DIRECTOR

January 3, 1990

R. S. Kem
Major General, U.S. Army
Deputy Commander
U.S. Army Corps of Engineers
Washington, D.C. 20314

Dear General Kem:

Your request to Iowa Governor Terry Branstad in regard to enhanced recreational opportunities at Corps projects in Iowa was forwarded to me for response.

Let me say first that we understand the Corps' dilemma. Public demands for quality outdoor recreation experiences and facilities continue to mount, and they do so in the face of reduced revenues and mandated priorities that force painful examination of operational expenses and ways to reduce them. I am pleased that the Corps' direction is to not consider the closure of facilities and the deferral of maintenance as means of reducing expenditures. These are not responsible actions, and your efforts to seek out alternative means of providing for continued recreational benefits associated with Corps projects are good.

The State of Iowa has worked with the Corps in years past to identify various federal lands along the Mississippi River which the state could assume management responsibilities on. Similar efforts on federal reservoirs have resulted in significant acreages under management of the Department of Natural Resources. For the most part, such opportunities are exhausted; and only by significantly expanding the options available will the Corps find entities willing to assume substantial increases in operations and maintenance responsibilities.

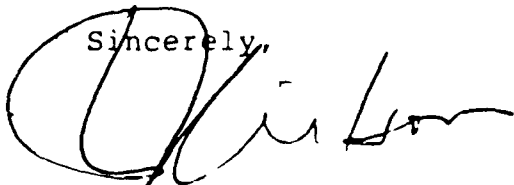
The most logical option for consideration is that of fee title transfer of property to the State of Iowa, or, in some cases, possibly to county conservation boards. Such transfer understandably requires a formal, longterm commitment by the entity assuming title to maintain the resources for their intended purpose. Given that commitment on the part of the state or county, the Corps could, in fact, divest itself of operations and maintenance costs while assuring that recreational benefits would be continued and that maintenance would not be deferred. The Snyder-Winnebago property on the Missouri River serves as a good example of where this option should be considered.

The State of Iowa has routinely transferred maintenance and operations responsibilities to county conservation boards, typically under 25-year management agreements. Iowa Code requirements make it very difficult for the State to divest itself of these types of properties, and longterm management agreements provide a mutually acceptable method. Frankly, transfer in fee title would otherwise be pursued in many instances. Quite possibly some of the same principles should operate between the Corps and the State of Iowa.

As a bottom line, we understand the Corps' desire to examine alternatives in this matter. At the same time, I would be remiss if I didn't mention a certain apprehension over the Corps' necessity to consider such actions. Many Corps projects were "sold" on the basis of a package of benefits which certainly included recreation. I would prefer to see forthright acknowledgement of the responsibility for continued recreational programs at Corps facilities. Corps areas abound with opportunities to provide showcases of resource and recreation management. If that is not possible under continued federal management and operations, the State of Iowa would be willing to pursue discussions with the Corps wherever fee title transfer to the State is a possibility. For obvious reasons, we must be very cautious about assuming any increased operations and management responsibilities on significant tracts in the absence of longterm control of those tracts.

Thank you for the opportunity to provide comments.

Sincerely,

A handwritten signature in dark ink, appearing to read "Larry J. Wilson", written over a horizontal line.

Larry J. Wilson
Director

STATE OF KANSAS



OFFICE OF THE GOVERNOR

State Capitol
Topeka 66612-1590
(913) 296-3232

Mike Hayden Governor

December 27, 1989

R.S. Kem
Major General, U.S. Army
Deputy Commander
Department of the Army
Corps of Engineers
Washington, DC 20314

Dear General Kem:

Thank you for your letter asking our involvement in the discussion about greater involvement of non-federal entities in providing recreational opportunities at Corps water projects.

As you know, we have considerable involvement in the management of Corps water project areas in Kansas through the cooperative program with the Kansas Department of Wildlife and Parks. I believe that Secretary Robert Meinen has communicated his Department's interest in this topic to Assistant Secretary Page. We have offered to initiated discussions on the state assumption of many Corps recreation areas and lands in Kansas. Our interest in this topic continues, and I have asked Secretary Meinen to respond directly to you and to Mr. Dave Wahus.

I support your efforts to find more economical means of operating these important recreational and wildlife lands in Kansas and throughout the nation. I believe that by working together we can do a more effective job for the public.

Sincerely,

A handwritten signature in dark ink, appearing to read "Mike Hayden".
MIKE HAYDEN
Governor

MH:GH:np

cc: Robert L. Meinen, Secretary,
Kansas Department of Wildlife and Parks



OPERATIONS OFFICE
RR 2, Box 54A
Pratt, Kansas 67124
316-672-5911

DEPARTMENT OF WILDLIFE & PARKS
MIKE HAYDEN, Governor
ROBERT L. MEINEN, Secretary
W. ALAN WENTZ, Assistant Secretary

January 12, 1990

R.S. Kem, Major General
U.S. Army
Deputy Commander
Department of the Army
Corps of Engineers
Washington, DC 20314

Dear General Kem:

The Kansas Department of Wildlife and Parks is very interested in working with you to maintain recreational opportunities on Corps properties in the state of Kansas while improving the overall efficiency of both our agencies.

I am interested in working with your staff to explore leasing additional recreation and wildlife areas from the Corps or, perhaps, exchanging properties, so our agency can operate all the facilities on one project and your agency can operate all the areas on another property. This may improve both our agencies' efficiency.

The major constraint our agency has is the lack of funds to operate more properties. As I have stated in my previous communications, for us to lease additional Corps lands in Kansas in the near future you would need to assist us with funding for our operation budget. The number of years our Department would require assistance from the Corps is uncertain as it would depend on when we can achieve adequate State funding. However, I am certain that the overall cost to the Corps with such an arrangement would be greatly reduced in the short as well as the long term.

There would be no significant impact to the public from having our agency manage these lands. In fact, there will probably be less confusion to the public by having one agency manage all the lands on one property.

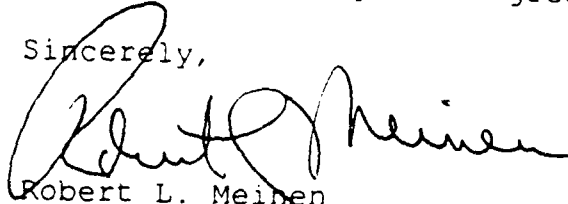
General Kem

2

January 12, 1990

Our department would be willing to meet with you at your earliest convenience to work out a mutually acceptable agreement.

Sincerely,



Robert L. Meinen
Secretary

cc: Governor Mike Hayden



GOVERNOR WALLACE G. WILKINSON
CAPITOL
FRANKFORT, KENTUCKY 40601

February 7, 1990

R. S. Kem
Major General, U.S. Army
Deputy Commander
Department of the Army
U.S. Army Corps of Engineers
Washington, D.C. 20314

Dear General Kem:

Thank you for your recent letter concerning the establishment of the Recreation Task Force and its mission to develop a plan to maintain and/or enhance public recreational opportunities at Corps water resource projects.

I fully appreciate current and projected budget constraints which may negatively impact upon the operation of recreation facilities at the various Corps locations in Kentucky. Agencies within our Tourism Cabinet that manage numerous recreation facilities statewide are constantly seeking innovative ways of stretching the austere financial resources at their disposal. Consequently, I am sincerely interested in the conclusions and recommendations of the members of the Recreation Task Force and the plan that will emerge from their deliberations.

Although existing Kentucky laws and policies do not present any significant deterrence for involvement by non-Federal interests, public funding remains the singularly most significant constraint to these agencies and organizations for their participation. Pressures on state and local government operation and maintenance budgets continue to threaten the quality and integrity of public recreation facilities and programs. Since we are fully committed to providing these quality of life opportunities for all Kentuckians, our agencies will continue the work necessary to preclude deterioration of programs, services and facilities.


General R. S. Kem
February 7, 1990
Page Two

Among the incentives that may assist in building Federal/non-Federal partnerships to better serve public recreation demands is an enhanced and expanded matched funding program for facilities development. An expansion of the participation by the Corps with the development and construction of recreation facilities would enable state and local agencies and concessionaries from the private sector to assume operation and maintenance costs under long-term agreements with your agency. One example of this need is Corps assistance with the development of public swimming pools in lieu of beaches where beach development is both impractical and unmanageable, and the demand for swimming is especially intense. The Kentucky Department of Parks currently has a specific requirement of this type of development within the Corps leased facility at Boonesborough State Park on the Kentucky River. Significant Corps assistance with such a project would enable the Commonwealth to provide a greatly needed facility, and the resulting maintenance and operation costs could be absorbed under a lease agreement with Parks.

Private sector development at state parks has proven to be successful in Kentucky. Several recent initiatives, along with previous lease agreements that have withstood the test of time, have been especially beneficial to the overall recreation development effort. These developments have significantly complimented and supplemented the offerings of other recreation providers and have enhanced the benefits of Corps water resource projects where applicable. It is our intent to continue to pursue further private sector development wherever practical and appropriate to our needs and within the scope of the statewide comprehensive outdoor recreation master plan.

I am pleased to have this opportunity to express my support for the upcoming efforts of the Recreation Task Force. Best wishes for maximum success in making new public recreation opportunities available at Corps projects.

Sincerely,



Wallace G. Wilkinson

WGW/DL

State of Louisiana

OFFICE OF THE GOVERNOR

Baton Rouge

70804-9004

BUDDY ROEMER
GOVERNOR

POST OFFICE BOX 94004
(504) 342-7015

January 26, 1990

Major General R.S. Kem, Deputy Commander
U.S. Army Corps of Engineers
Department of the Army
Washington, D.C. 20314

Dear General Kem:

Governor Roemer has asked me to respond to your recent correspondence concerning anticipated Corps of Engineers budgetary short falls as this might relate to the maintenance of public recreational opportunities at your agency's water resource projects. You specifically solicited comments on considerations being given to transfer the operation and maintenance of Corps of Engineers recreational facilities to other public agencies and/or the general public.

In Louisiana we have two agencies that are primarily involved in providing and maintaining public recreational areas and facilities. Both of these agencies are currently facing serious budgetary constraints and have indicated that they could not absorb any such additional operational expenditures. In short, these agencies are in the same monetary posture as the Corps of Engineers.

Local entities of government are generally also facing budgetary shortfalls and, in our opinion, would not be able to provide much assistance in relieving the Corps of Engineers of its operation and maintenance obligations. At the private level, the "ability to make a profit" would certainly be the determining force behind any willingness to accept the responsibility of operating and maintaining recreational facilities on Corps of Engineers project lands.

Of greater concern to the State of Louisiana, however, is the issue of whether the Corps of Engineers should even be considering divesting itself of current obligations to maintain recreational facilities on its project lands in Louisiana. It is our understanding that construction of many of the Louisiana projects listed in your enclosure (copy attached) was at least partially justified (i.e., from monetary and/or public support standpoints) on the basis of anticipated recreational benefits associated with the development, operation, and maintenance of recreational facilities at those project sites. In that event, we would suggest that the Corps of Engineers is

January 26, 1990
Major General R.S. Kem
Page two

under considerable obligation to insure the continuation of those benefits.
Any less, in our view, would be construed as a serious breach of public trust.

I trust that you will keep us advised of any developments in this matter.

Sincerely,



David M. Soileau
Executive Assistant
for Coastal Activities

DMS/bv

Enclosure

cc: Louisiana Congressional Delegation
Louisiana Department of Wildlife and Fisheries
Louisiana Department of Culture, Recreation and Tourism

STATE: LOUISIANA

PROJECT

DISTRICT

BAYOU BODCAU RESERVOIR

VICKSBURG

CADDO LAKE

VICKSBURG

COLUMBIA POOL (OUACHITA-BLACK RIVERS)

VICKSBURG

JONESVILLE POOL (OUACHITA-BLACK RIVERS)

VICKSBURG

PEARL RIVER <3 LOCKS AND DAMS>

VICKSBURG

POOL 1 (RED RIVER WATERWAY)

VICKSBURG

WALLACE LAKE

VICKSBURG

Encl 1



STATE OF MAINE
OFFICE OF THE GOVERNOR
AUGUSTA, MAINE
04333

JOHN R. MCKERNAN, JR.
GOVERNOR

January 4, 1990

Major General R. S. Kem
United States Army
Deputy Commander
U.S. Army Corps of Engineers
Washington, D.C. 20314

Dear Major General Kem:


Thank you for your letter of December 14, 1989 soliciting recommendations for use of the Army Corps of Engineers in providing recreational opportunities.

After forwarding your letter to my Adjutant General, Ernest C. Park, I received the attached memorandum. I hope that you find this memorandum responsive to your request.

Please feel free to contact General Park if you require additional information.

Again, thank you for seeking our input.

Sincerely,



John R. McKernan, Jr.
Governor

JRM/mpm

Attachment



DEPARTMENT of DEFENSE



VETERANS SERVICES

CAMP KEYES ★ AUGUSTA, MAINE 04333 ★ (207) 622-9331

MENG-TAG

26 December 1989

MEMORANDUM FOR The Honorable John R. McKernan Jr., Governor, Attention: Mr.
Derek Langhauser, State of Maine, State Office, Augusta, Maine
04333

SUBJECT: Request for Ideas

1. Reference:

a. Letter to The Honorable John R. McKernan Jr., Governor, State of Maine, from Department of The Army, dated 19 December 1989.

b. Memorandum, Log number 020548, subject: Seeking input and ideas, dated 19 December 1989.

2. Reference b. solicited our ideas to support the request from the Army Corps of Engineers in their effort to establish a Recreation Task Force. We, in Defense and Veterans Services, recognize as pointed out by MG Kem, that the Corps of Engineers has no water resource development projects in Maine. However, should the Corps undertake a project similar to Maine Street 90, on a national scale, states, municipalities, service and fraternal organizations could be mobilized to adopt and sponsor portions of major Corps projects or operations. This type of alliance would foster ownership and grass roots support and broaden the support and resource base. At the same time it would draw on the many and varied resources of the private sector. It is obvious that National Legislative support would be necessary to include House and Senate resolutions and National News coverage. Additional support and assistance could possibly come from Army and Air National Guard units when there is a training benefit to be derived.

3. I feel this dynamic solution may prove to be a large task, but the rewards of such a venture would be far-reaching.

ERNEST C. PARK
Major General MEANG
The Adjutant General



THE COMMONWEALTH OF MASSACHUSETTS
EXECUTIVE OFFICE OF ENVIRONMENTAL AFFAIRS

MICHAEL S. DUKAKIS
GOVERNOR

January 17, 1990

JOHN DEVILLARS
SECRETARY

R.S. Kem
Major General, U.S. Army
Dept. of the Army
U.S. Army Corps of Engineers
Washington, D.C. 20314

Dear Major General Kem:

Governor Dukakis has asked me to respond to your letter concerning the creation of the Army Corps' Recreation Task Force. It is commendable that in this day of budget deficit reduction efforts, the Army Corps of Engineers has recognized the importance of public recreation and is taking steps to enhance opportunities for the citizen's of the Commonwealth.

Enclosed for your review is a copy of the most recent Statewide Comprehensive Outdoor Recreation Plan. This plan may give you some insight into the critical deficiencies in recreational facilities in the state. Over the years state planners' have identified the need for more public facilities for water based activities as well as public access to the coast.

I have forwarded a copy of your letter to Kathy Smith, Bureau Chief of Recreation in the Division of Forest and Parks. She will distribute this information to Regional Supervisors within th Division. She will also distribute this information to the Department of Fisheries and Wildlife and the Metropolitan District Commission, coordinate their responses and get back to you in February. If you have any further questions please give Kathy a call at (617)727-3184.

Thank you for your efforts here in Massachusetts. I hope our environmental agencies together with the Army Corps of Engineers can continue work together to enhance the quality of living for all citizens of the Commonwealth.

Sincerely,

A handwritten signature in dark ink, appearing to read "John P. DeVillars", written over a horizontal line.

John P. DeVillars
Secretary

JPD/maf



Commonwealth of Massachusetts
Executive Office of Environmental Affairs
Department of Environmental Management

March 6, 1990

100 Cambridge Street
Boston
Massachusetts
02202

Division of
Forests and Parks

R.S. Kem
Major General, U.S. Army
Dept. of the Army
U.S. Army Corps of Engineering
Washington, D.C. 20314

Dear Major General Kem,

Attached are copies of the responses I have received from the Regional Supervisors related to your December 14, 1989 memo to Governor Dukakis on the ACOE's Recreational Task Force. If you have any questions or concerns please call me at 617-727-3184.

Sincerely,

Kathryn Joyce Smith
Bureau Chief of Recreation

KJS/maf



Commonwealth of Massachusetts
Executive Office of Environmental Affairs
Department of Environmental Management

M E M O R A N D U M

PO Box 155
Clinton
Massachusetts
01510
(617) 368-0126

TO: Kathryn J. Smith, Chief of Recreation
FROM: Don S. Stoddard, Regional Supervisor
SUBJ: U.S. Army Corps of Engineers
DATE: February 12, 1990

Division of
Forests & Parks
Region 3

RECEIVED
1990 FEB 15 PM 1:54
DIVISION OF
FORESTS & PARKS

The following C.O.E. Projects fall within Region 3.

Forests and Parks Control

Other Agencies

- | | |
|--|--------------------------------------|
| 1. Birch Hill Dam (sublease F&W)
includes Lake Dennison | 1. Barre Falls, Fish & Wildlife |
| 2. East Brimfield Dam
includes Holland & Streeter | 2. Buffumville-C.O.E.(reverted back) |
| 3. Tully Lake | 3. Hodges Village-F&W and Town |
| | 4. West Hill-F&W |
| | 5. Westville-F&W and Town |

A. Policies that need to be looked into, for consistency to Mass General Laws and/or D.E.M. Rules & Regulations.

1. Rec. vehicles on Federal lands verses D.E.M. lease lands.
2. Issuing of permits for:
 - a. Docks
 - b. Moorings
 - c. Recreation Areas (private)
 - d. Agricultural
3. Access across lease land to the recreational pool.
4. Whose regulations are being violated, State or C.O.E., which takes precedence.

B. Incentives

1. Capital cost, on improvements and/or replacements at existing facilities.
2. Develop mobile buildings that can be moved out during flooding of the area. Buildings are currently designed to be submerged but water damage to gas heaters, electrical outlets, stall partitions, etc., still occurs. Silt also tends to damage flushmeters.

- C. 1. Use of Reserves (Army) and/or regular military units for construction could reduce costs on major projects.

- D. 1. Curtailment of certain private use by abutters relating to the recreational pool, may occur. If and/or when agreement can be reached as to whose regulations apply at each lease area, activities currently allowed may have to cease.
2. Tighter control of access into these areas may cause changes to, and/or eliminate certain recreational activities at certain times of the year.

If there are any meetings that evolve out of this Task Force, please keep me in mind, in that approximately half of the areas are within Region 3.



Don S. Stoddard
Regional Supervisor

DSS/JJT/mw



Commonwealth of Massachusetts
Executive Office of Environmental Affairs
Department of Environmental Management

DIVISION OF WATERWAYS

100 Cambridge Street
19th Floor
Boston, MA 02202
(617) 727-8893

349 Lincoln Street
Bldg. #45
Hingham, MA 02043
(617) 740-1600

To: Kathryn Joyce Smith, Chief of Recreation

From: Eugene F. Cavanaugh, Director

Date: January 29, 1990

RE: Federal Assistance for Recreational Programs

The Division is very interested in the prospect of federal assistance with recreational facilities in our coastal and inland waters.

R. David Clark represents the Division on the Public Access Board and I have assigned him to work with you in this matter. He is reviewing your memo and will prepare a response for me.

Please contact him at 740-1602 if you have any questions.

EFC: mc

STATE OF MICHIGAN



NATURAL RESOURCES COMMISSION

THOMAS J. ANDERSON
MARLENE J. FLUHARTY
GORDON E. GUYER
KERRY KAMMER
O. STEWART MYERS
ELLWOOD A. MATTSON
RAYMOND POUPORE

JAMES J. BLANCHARD, Governor

DEPARTMENT OF NATURAL RESOURCES

DAVID F. HALES, Director

WATERWAYS COMMISSION

JAMES CLARKSON
ROSE RAYNAK
R. J. ROURKE
SIDNEY R. RUBIN
ORVILLE L. SYDNOR
RAY L. UNDERWOOD
DENNIS C. VALKANOFF
L.H. THOMSON — EMERITUS
Knapps Centre
Lower Level
P.O. Box 30028
Lansing, Michigan 48905

March 8, 1990

Serial No. 263-90
File No. B 8.23

Major General R.S. Kem
U.S. Army, Deputy Commander
U.S. Army Corps of Engineers
Washington, D.C. 20314

Dear Major General Kem:

Governor Blanchard has requested that I respond to your letter of December 14, 1989 concerning the Recreation Task Force.

As suggested in your letter, staff has contacted Mr. Dave Wahus, and he provided additional information concerning both sites identified in Michigan.

In response to the identified issues:

1. There are no existing state laws, policies or other constraints that deter greater involvement by non-federal interests. Federal law prevents charging fees to recreation users and is a financial discouragement for non-federal involvement.
2. State and local governments are being squeezed by federal disinvestment. Financial incentives must be considered.
3. None identified.
4. None identified.

In Michigan, the state through our Department has assumed responsibility for operating a Corps lock structure at Alanson. The lock is for water control as well as recreational boat passage. Because the Corps has refused to financially support the locks operations for recreational craft, a significant financial burden has been shifted to the state with no opportunity to recoup costs by charging fees.

Of the two projects identified on "enclosure one" with your letter, the lower Keweenaw entry waterway includes a boat launching site that provides significant public recreation. The site is compatible with our access site program and we are willing to lease the property from the Corps and operate the site ourselves, rather than have it closed.



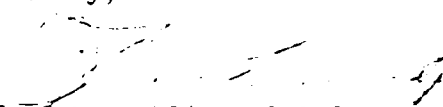
March 8, 1990

The site identified on the St. Mary's River is an observation platform and picnic site associated with the Corps Visitor Center at the Soo Locks. We do not have a state program compatible with the operation of this facility, but perhaps the City of Sault Ste. Marie would be able to assist the Corps in the operation of this site. They should be contacted by you directly.

It is indeed unfortunate that recreation facility support is given low budget priority by the Corps. I am sure this action will reduce public support for other Corps programs. I know it has placed a financial burden on the states.

I trust this responds to your request.

Sincerely,


O.J. Scherschligt, Chief
Recreation Division
517-335-4827

OJS/LRN/mr
cc: Dave Wahus
Art Klawiter
Mike Cieslinski



STATE OF
MINNESOTA
DEPARTMENT OF NATURAL RESOURCES

500 LAFAYETTE ROAD, ST. PAUL, MINNESOTA 55155-4037

OFFICE OF THE
COMMISSIONER



DNR INFORMATION
(612) 296-6157

February 22, 1990

Major General R. S. Kem
Deputy Commander
Department of the Army
U.S. Army Corps of Engineers
Washington, D.C. 20314

Dear Major General Kem:

Governor Rudy Perpich has shared your letter with me in which you requested input on the Corps' operation of recreational facilities in Minnesota.

I strongly believe that the projects the Corps manages for recreational purposes should be kept open. Not only do they provide Minnesota and neighboring state's citizens with recreational opportunities on water, but also add to the local economy by bringing in tourist dollars. I understand your concern about the need for more operation and maintenance dollars. We have the same type of need in Minnesota and maintenance dollars are the most difficult funds to obtain. However, since the Corps has provided these facilities for years, the public has become accustomed to using them and expect that they will remain open and in federal ownership.

I applaud your efforts to consider alternative sources of funding. However, I believe it is imperative that you continue to attempt to obtain funds at the federal level. The Corps, I believe, has an ongoing responsibility to provide recreational opportunities on its public lands.

Please keep me informed of your progress.

Yours truly,

By 
Joseph N. Alexander
Commissioner



STATE OF MISSISSIPPI

OFFICE OF THE GOVERNOR
RAY MABUS
GOVERNOR

January 4, 1989

R. S. Kem
Major General, U.S. Army
Deputy Commander
U. S. Army Corps of Engineers
Washington, D. C. 20314

Dear General Kem:

Thank you for your recent letter soliciting our State's comments on the development of your public recreational enhancement plan for U. S. Army Corps of Engineers projects in Mississippi.

A high priority of my administration is providing more high quality outdoor recreational opportunities in Mississippi. I am very pleased to learn of your agency's interest in expanding the recreational opportunities in the areas under its control and, in doing so, assisting us in providing more outdoor recreation areas for our citizens and the visitors to our State.

I am forwarding your letter to Mr. Vernon Bevill, Executive Director of the Department of Wildlife, Fisheries and Parks, for his review and the development of our input into this planning process. I feel certain that we can agree upon some ideas that will be beneficial to your program and compliment the language plans being developed for state-owned land.

Thank you again for inviting us to participate in this worthwhile endeavor. If I or my staff may be of any further assistance to you, please feel free to contact us.

Sincerely,

A handwritten signature in dark ink, appearing to be "Ray Mabus", written over the typed name and title.

RAY MABUS
Governor

RM:MG:rc

cc: Mr. Vernon Bevill

JOHN ASHCROFT

Governor

G. TRACY MEHAN III

Director



STATE OF MISSOURI

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE DIRECTOR

P.O. Box 176

Jefferson City, MO 65102

314-751-4422

Division of Energy
Division of Environmental Quality
Division of Geology and Land Survey
Division of Management Services
Division of Parks, Recreation,
and Historic Preservation

January 4, 1990

Mr. Dave Wahus, Executive Director
Recreation Task Force
Department of the Army, CECW-ZR
20 Massachusetts Avenue, N.W.
Washington, D.C. 20314-1000

Dear Mr. Wahus:

This letter is in response to correspondence recently sent to Governor Ashcroft from Major General R. S. Kem of the U.S. Army Corps of Engineers.

The mission of the Missouri state park system is to preserve the outstanding natural and cultural features of the state, and to provide unique outdoor recreation opportunities. For this reason, we would not be interested in any of the Corps of Engineers' recreation areas unless they truly contributed to this mission. Each area would have to be considered on its own merit.

I would like to offer two suggestions that might help the Corps of Engineers reduce their costs on public work projects. First, the Corps might consider entering into longer term leases, such as 50-year leases, on recreation areas with public entities. This may provide an additional incentive to lessees and would reduce your costs in leasing. Second, taking the first suggestion a little further, the Corps might consider divesting its interest in recreation areas. The Corps' interest could be protected by reversionary covenants in the deed. This would eliminate the entire leasing aspect of your operation.

On a final note, you may also want to contact the Missouri Department of Conservation to see if they might be interested in any of the recreation lands.

If you have any questions, please contact Mr. Wayne E. Gross, director of the Department of Natural Resources' Division of Parks, Recreation, and Historic Preservation at 314/751-2479.

Very truly yours,

DEPARTMENT OF NATURAL RESOURCES

G. Tracy Mehan, III
Director

GTM:ggm

cc: Governor John Ashcroft



STATE OF NEBRASKA

KAY A. ORR, GOVERNOR

January 10, 1990

Major General R.S. Kem
Deputy Commander, Department of The Army
U.S. Army Corps of Engineers
Washington, DC 20314

Dear Major General Kem:

In your recent letter you requested my input in the development of a plan to enhance public recreational opportunities at Corps of Engineers water projects in Nebraska. You cited increasing federal budget constraints and indicated the Corps is seeking new strategies to reduce federal expenditures without having to defer maintenance or close recreational facilities. The thrust of your request appears to center on developing a program to transfer financial responsibility for development and maintenance of federally-owned recreational facilities at Corps projects to non-federal agencies and the private sector.


Your letter and accompanying listing of Corps water projects in Nebraska has been shared with the Nebraska Game and Parks Commission, the state agency in Nebraska responsible for managing our outdoor recreation, fish and wildlife resources. The Commission confirms the tremendous importance of federal water projects, including Corps of Engineer lakes, to outdoor recreation in Nebraska but questions the relevance of the proposed plan to our state. With the single exception of Harlan County Lake, responsibility for recreational development and operation of the remaining fourteen Corps lakes has already been transferred to non-federal public agencies. Eleven of the fourteen lakes are administered by the Game and Parks Commission with the remainder by other political subdivisions.

You have asked what type of incentives are needed to build federal/non-federal partnerships to better serve recreational demand. We don't have a good answer to that, only a question of our own: What assistance can the State of Nebraska expect from the federal government that will help enable us to sustain and enhance our existing partnership with the Corps of Engineers? Nebraska has worked hard to uphold its end of the partnership, investing considerable sums of money in the development, operation and maintenance of these eleven areas. Despite our best efforts, facilities remain inadequate to meet demand and, in some instances, are nearing the end of their useful life without major rehabilitation. We doubt Nebraska's situation is particularly unique among western states and suggest consideration be given in the Corps' plan for financial assistance to states which have previously assumed these responsibilities.

Governor Kay A. Orr
January 8, 1990
Page 2

We thank you for this opportunity to comment and wish you and the Corps of Engineers success in this worthy effort.

Sincerely,



KAY A. ORR,
Governor

KA0/JJC/br

cc: Rex Amack, Director, Game and Parks Commission



STATE OF NEVADA
EXECUTIVE CHAMBER

Carson City, Nevada 89710

BOB MILLER
Acting Governor

TELEPHONE
702 885-5670

February 2, 1990

R.S. Kem, Major General
Deputy Commander
Department of the Army
U.S. Army Corps of Engineers
Washington, D.C. 20314

Dear General Kem:

Thank you for writing. I appreciate the opportunity to comment on means to enhance public recreational opportunities at Corps water resource projects.

In response to the specific questions you have raised, I have the following comments:

1. As you have mentioned, there are no Corps projects in Nevada. It is, therefore, difficult to identify any "existing laws, policies, or other constraints that deter greater involvement by non-Federal interests" with respect to Corps projects. However, it has been my experience with certain other Federal agencies, that a certain degree of "territoriality" persists which sometimes inhibits optimal cooperation, to the detriment of the public.
2. The general trend of increasing public demand for recreation opportunities, particularly water access, tends to supercede the need for specific incentives to induce Federal/non-Federal partnerships. In general, increased cooperation would be encouraged by the mere reduction of procedural requirements and a more positive attitude by Federal agencies towards promoting cooperation.
3. The State of Nevada does enjoy several on-going programs involving cooperation with Federal agencies to promote recreation opportunities while increasing non-Federal involvement. Perhaps the most applicable program for your needs is this state's long-term recreation management agreements with the U.S. Bureau of Reclamation at Lahontan and Rye Patch Reservoirs.

Page 2.
February 2, 1990

4. The impact of the above mentioned programs has greatly increased public recreation opportunities at minimal expense to the Federal government. In addition, these programs have tended to spawn numerous recreation related businesses which support these recreation opportunities. Examples are retail boat sales, marine gas, picnic supplies, and bait stores.

Hopefully, this response will address your needs. However, if you require additional information, please do not hesitate to contact my office.

Sincerely,


BOB MILLER
Governor

BM/lw



State of New Hampshire
Department of Resources and Economic Development
Division of Parks and Recreation

105 Loudon Road, P.O. Box 834 Concord, NH 03301-0856

Wilbur F. LaPage
Director
603-271-2544

January 3, 1990

Parks Bureau
603-271-2544

Trails Bureau
603-271-2544

Technical and
Community
Assistance

R. S. Kem
Major General, U.S. Army
Deputy Commander
U.S. Army Corps of Engineers
Washington, D.C. 20314

Dear General Kem:

Information
and Education

Governor Gregg has asked that I respond to your letter of December 14th, and work with your Recreation Task Force. A copy of my earlier reply to Colonel Wilson in Waltham is attached to this letter.

603-271-2544

I am not aware of any legal constraints on the State of New Hampshire, or its political subdivisions, to cooperate fully with the Corps. In fact, many of the Corps projects in New Hampshire are under lease to this Department.

603-271-2544

603-271-2544

603-271-2544

603-271-2544

603-271-2544

As for incentives and cooperation with other agencies, you should know that the Corp's project at Franklin Falls is a designated site for work this summer on the N.H. Heritage Trail (brochure attached) a 230 mile walking path/greenway running the length of the State of New Hampshire. Other federal agency cooperators on this unique Greenway project include the U.S. National Park Service and the U.S. Forest Service. While Franklin Falls is under lease to the State, I cannot help but wonder if the Corps would like to become a more active cooperator? I would appreciate receiving permission to list the Corps among the growing list of Heritage Trail cooperators.

603-271-2544

Please let me know how New Hampshire can assist your Task Force to devise innovative ways to better serve our residents and visitors.

603-271-2544

Sincerely,

603-271-2544

Wilbur F. LaPage
Director

603-271-2544

603-271-2544

WFL/yr
cc: Governor Judd Gregg
Commissioner Rice

Col. Wilson
Director Wahus



State of New Hampshire
Department of Resources and Economic Development
Division of Parks and Recreation
105 Loudon Road, P.O. Box 856, Concord, NH 03301-0856

Wilbur F. LaPage
Director
603 271-3255

Parks Bureau
603 271-3556
December 8, 1989

Trails Bureau
603 271-3254
*Colonel Daniel M. Wilson
Corps of Engineers
Dept. of the Army
424 Trapelo Road
Waltham, MA 02254-9149*

Technical and
Community
Assistance
603 271-3627

Information
and Education
603 271-3254
Dear Colonel Wilson:

REGIONS:
Northern
603 788-3155
Central
603 323-7350
Southwest
603 547-3497
Off Season
603 547-3393
Southeast
603 485-9874
Seacoast
603 436-6607

Governor Gregg has asked that I respond to your letter of November 17th, and to advise you that I will serve as liaison to your recreation task force. As you know the Division of Parks and Recreation has a number of cooperative relations with your office including Clough State Park and the trail program at Franklin Falls. These are key elements of our parks and trails programs; the Franklin Falls site providing a major link in the 230-mile N.H. Heritage Trail.

I look forward to working with your committee to assure continued public recreation access to corps lands in New Hampshire.

Sincerely,

Wilbur F. LaPage
Wilbur F. LaPage
Director

Sumner-Pillsbury
603 763-2356
*WFL/pr
cc: Governor Gregg*

Franklin Crawford
603 823-5563

LAX
603 271-2629

Help Line
1-800-992-3312



STATE OF NEW MEXICO

Economic Development & Tourism Department

Garrey Carruthers
Governor

Joseph M. Montoya Building
P.O. Box 20003
1100 St. Francis Drive
Santa Fe, New Mexico 87503
Phone 827-0300

John Dendahl
Cabinet Secretary

R. S. Kem
Major General, U.S. Army
Deputy Commander
U.S. Army Corps of Engineers
CECW-ZR
20 Massachusetts Avenue NW
Washington DC 20314-1000

January 29, 1990

Dear Major Gen. Kem:

Thank you for the chance to address the importance of water recreation in New Mexico and the contributions of the lakes your dams have created, especially those of Abiquiu Lake, Cochiti and Conchas Lakes, and Santa Rosa Lake.

Several years ago the New Mexico State Park & Recreation Division, today a part of the New Mexico Energy, Minerals & Natural Resources Department, produced a survey of visitors to its state parks system that revealed that those parks offering water recreation opportunities (boating and sailing, fishing, water skiing, swimming, etc.) were the most highly sought sites in the system.

This remains true today, and can be applied to the water recreation opportunities at Abiquiu and Cochiti Lakes (where there are water recreation facilities available for visitors, but there are no state parks), and to Conchas Lake, where there is a state park. According to that department's division, seven of New Mexico's 10 most popular state parks can be found at lake shores. An eighth, Cimarron Canyon State Park, offers the Cimarron River to trout fishermen, and a ninth, Coronado State Park, is contiguous to the Rio Grande. Only Pancho Villa State Park is a "dry" facility. Conchas Lake State Park, for your information, ranks sixth among that division's 38 state parks, attracting in excess of 150,000 visitors annually.

Among our office's marketing surveys since 1981, outdoor recreation (into which water recreation is tucked), and New Mexico's scenic beauty and history remain the top three reasons the Land of Enchantment enjoys more than 25 million travelers each year. These visitors have enabled the state's tourism industry to double its gross receipts, double arrivals at Albuquerque International Airport, and triple its lodgers tax receipts in the decade just ended. No other sector of the state economy can boast such an accomplishment.

Independently, the state river rafting industry (affected in part by the water storage at Abiquiu Lake) also represents a popular commercial activity that produces more than \$1 million in passenger gross receipts annually in northern New Mexico. Its unresolved complaint has been the ongoing release of water from upstream lakes during Spring and summer **weekdays** (when commercial rafting is slowest), instead of during **weekends** (when that industry is busiest). Perhaps this is the time for your Albuquerque District Office to convene a meeting sometime this Spring of the many vested interests in water recreation in New Mexico.

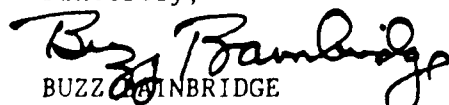
The New Mexico Tourism & Travel Division's role has always been, and shall remain, to promote the state as a travel destination domestically and abroad. However we have seen an intensification of networking in the state tourism industry in the last couple of years. The aforementioned vested interests -- together with your agency and the State Engineer's Office and our office -- would welcome the opportunity to outline these concerns and work together to address your budget shortfall. Perhaps such a convening could result in the creation of an interim committee that can represent this collective concern and articulate any alternatives, agreements or solutions to our Congressional and state legislators. Since this is an **operational and maintenance** issue, and not a marketing and promotional one, we see our role as one of support. Perhaps you can approach a representative in the New Mexico Energy, Minerals & Natural Resources Department to chair such a committee and act as its spokesperson.

Since your concern seems paramount, I have taken the liberty of sending copies of your letter and my response to Dr. Karen Brown, Manager of Special Programs in that department (Villagra Bldg., 408 Galisteo, Santa Fe 87503), and to Steve Miller of New Wave Rafting, Route 5, Box 302A, Santa Fe 87501. Their telephone numbers are (505) 827-7862 and (505) 455-2633, respectively. Dr. Brown is an impassioned advocate of outdoor recreation and chaired the State Trails Task Force a few years ago. As a result of her efforts, the state today has a guide to the many hiking trails on public lands. Mr. Miller is a concerned, articulate spokesman for the river rafting industry.

I also can personally vouch for the importance of water recreation activities in New Mexico, having skippered several boats on the state's largest lakes for more than 20 years.

I look forward to hearing from your Albuquerque District Office in the near future.

Sincerely,


BUZZ BAINBRIDGE
Director of State Tourism
(505) 827-0291

cc: Dr. Karen Brown
Denise Corriveau
David Wahus



STATE OF NEW YORK
PARKS, RECREATION AND HISTORIC PRESERVATION
ALBANY

DRIN LEHMAN
COMMISSIONER

January 16, 1990

Dear Major Kem:

Your letter to Governor Cuomo has been referred to this office for response. We agree that there is a critical need to maintain and enhance public water oriented recreational opportunities throughout New York State. Our Statewide Comprehensive Outdoor Recreation Plan identifies water oriented recreation among its highest policy priorities. Approximately 70 percent of the general public strongly agree that government should purchase additional public access to water resources. The Federal Government along with other levels of government have a major role in maintaining and expanding water recreation opportunities.

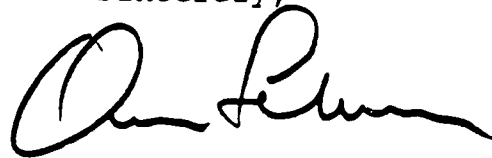
Within New York State, the four Corps projects provide an important service. Three of the projects are currently under management by the State or a local government to provide and maintain recreation facilities. The section of Corps lands on the Allegheny Reservoir and within Allegany State Park are managed under a lease agreement as part of the Park. In addition, we have recently developed a boat launching site on the Reservoir. Recreation facilities are maintained by the Department of Environmental Conservation (DEC) on East Sidney Lake and by the Town on Whitney Point. The DEC further supports extensive fishing management programs on these three water bodies and has a strong interest for the continuance of public access. Therefore, cooperative efforts between Federal and non-Federal agencies already exist in maintaining recreation facilities on COE projects.

The Corps maintains Lock 1 and the Black River Canal along the East and West ends of the state's 540 mile canal system. Also the Corps provided \$5 million through the Water Resource Act this year for the canal system. In retrospect, it seems that the role of the Federal Government might have been stronger in the provision of recreation opportunities within New York State.

January 16, 1990
Page 2

However, we are happy to see that this is beginning to occur with a recent cooperative program for the rehabilitation and improvement of the State's Barge Canal System.

Sincerely,

A handwritten signature in dark ink, appearing to read "R. S. Kem", written in a cursive style.

Major General R. S. Kem
U.S. Army Corps of Engineers
Department of the Army
Washington, D.C. 20314



STATE OF NORTH CAROLINA
OFFICE OF THE GOVERNOR
RALEIGH 27603-8001

JAMES G. MARTIN
GOVERNOR

March 20, 1990

Major General R. S. Kem
Deputy Commander
Department of the Army
U. S. Army Corps of Engineers
Washington, D. C. 20314

Dear General Kem:

I am writing in response to your letter of December 14, 1989, requesting North Carolina's comments on ways to provide maximum recreation opportunities at Corps of Engineers water resources projects in North Carolina in the context of limited federal operation and maintenance funds.

The State of North Carolina has made a massive commitment of resources to State recreation management at Corps of Engineers projects. The State has leased all of the project lands at Falls Lake and B. Everett Jordan Lake, except for the dam sites. At these two projects, the Division of Parks and Recreation manages all developed recreation sites and the Wildlife Resources Commission manages the remainder of the projects as State gamelands. At John H. Kerr Reservoir, a much older project, the State also manages several large recreation areas as well as lands set aside for gamelands. The State has made new capital investments at Kerr Lake from time to time to improve the quality of recreation opportunities.

We have the impression that North Carolina has made a commitment to recreation management at Corps of Engineers projects that far exceeds that of the average State. We hope that in deciding how to use your limited recreation funds you will recognize this large State commitment and not withdraw Corps support from the small proportion of recreation sites that are managed by the Corps in North Carolina.

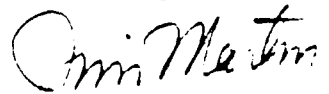
Major General R. S. Kem
Page 2
January 19, 1990

The Corps should seek to resolve the budget problem by achieving an equitable balance of Corps and non-federal management responsibilities at Corps reservoirs in each state, not by penalizing those states that have already accepted major management responsibilities at Corps projects.

Because of our large existing commitment of personnel and management dollars at Corps projects, it is unlikely that we could take on management of additional recreation sites.

When Corps budget constraints become clearer, please inform me of the implications for Corps recreation activities in North Carolina. We want to keep up with this and attempt to avoid loss of recreation opportunities for our citizens.

Sincerely,


James G. Martin

JGM:mdh

cc: Dr. Phillip McKnelly
Mr. John N. Morris



GEORGE A. SINNER
GOVERNOR

State of North Dakota

OFFICE OF THE GOVERNOR
600 E. Boulevard-Ground Floor

BISMARCK, NORTH DAKOTA 58505-0001
(701) 224-2200



NORTH DAKOTA
CENTENNIAL
1889-1989

December 29, 1989

Major General R. S. Kem
United States Army
Deputy Commander
Corps of Engineers
Washington, D. C. 20314

Dear General Kem:

Thank you for this opportunity to offer input about recreational development on Corps of Engineers projects. As you may know, the recreation industry in North Dakota is one of our fastest developing sectors of the economy.

I am having my staff work with Mr. Doug Eiken, the North Dakota Parks and Recreation Department Director. Mr. Eiken will offer more specific comments and suggestions in the near future.

For my part, I want to encourage the Corps of Engineers to continue exploring all possibilities in recreational development. I am very supportive of public/private cooperation. The Corps can stimulate cooperative development by loosening restrictions on water access permits. Successful projects that have developed involve a public access site (boat ramp and basic facilities) adjacent to more developed private or public camping and resort facilities. In this way, private developers can profit from serving the public's needs, but access to the resource is not restricted.

Again, we will offer more specific comments in the near future. My best wishes to you in the New Year.

Sincerely,

George A. Sinner
Governor

GAS:JE:ksp

cc: Mr. Doug Eiken



GEORGE A. SINNER
GOVERNOR

State of North Dakota

OFFICE OF THE GOVERNOR
600 E. Boulevard Ground Floor

BISMARCK, NORTH DAKOTA 58505-0001
(701) 224-2200

February 9, 1990

Mr. Dave Wahus, Executive Director
Recreation Task Force
U. S. Army Corps of Engineers (CECW-ZR)
20 Massachusetts Avenue NW
Washington, D. C. 20314-1000

Dear Mr. Wahus:

Enclosed are comments from Doug Eiken, Director of the North Dakota Parks and Recreation Department, in response to your request for input for the Recreation Task Force. I agree with Director Eiken's comments. I would like to emphasize, as does Mr. Eiken, our desire that the Recreation Task Force address ways to improve existing recreation, as well as trying to find the means to improve non-federal management.

I believe this is the time to emphasize recreation as many state economies, including our own, are becoming more dependent upon the travel business generated by these sites. I believe the emphasis of your task force should be on ways to enhance existing recreation, as well as providing improved opportunities for non-federal management.

Please contact Doug Eiken if you have further questions concerning this matter. He has indicated his willingness to participate in the Recreation Task Force workshop in Omaha on April 12 to represent the state.

Sincerely,

A handwritten signature in cursive script that reads "George A. Sinner".

George A. Sinner
Governor

GAS:JE:ksp

Enclosure

cc: General Kem

**Comments
Corps of Engineers Recreation Task Force**

**Doug Eiken, Director
North Dakota Parks & Recreation Department**

Recreation is the only direct benefit of U.S. Army Corps of Engineers projects that is available to all citizens. The provision of recreation at Corps sites was a promise made to the general public and the states, when many productive areas were flooded to provide downstream protection for flood control and to provide navigation and hydroelectric power.

There are many people throughout the nation who are concerned that the potential transfer of Corps areas to other public and non-public managers is an attempt by the Corps to reduce their commitment to recreation.

The goal of the Recreation Task Force is to provide opportunities for non-federal management of Corps areas to the maximum extent possible. I feel the focus should also be on ways to enhance and improve support for recreation throughout the Corps system. In addition, policies should be adopted to provide convenient and appropriate opportunities for city, county, state and private sector operation of these recreation areas.

A number of Corps policies hinder this public/private partnership.

I. Lease Policies

Current Omaha District policies concerning leases to the private sector are too restrictive. Our studies indicate that major investments require longer leases. In addition, leases and permit requests should be processed in a more timely manner.

II. Funding

The Corps cost share program has been an effective way to encourage public and private sector involvement on Corps projects in the past. This program should be reinstated. A cost share of up to half the cost of development of basic amenities should be available for non-federal entities that request a leased site for recreation.

The Corps should also look at the new recreation initiative of the U.S. Forest Service, which includes increased recreation funding, cost share programs, cooperative ventures, partnerships, flexibility and an increased emphasis on recreation.

Adequate funding for maintenance of privately operated Corps sites is another concern. A policy which would require a certain percentage of revenues generated by private operation of the facility be earmarked specifically for continued maintenance and upgrading of the site is a necessity. Otherwise, there is a hesitancy by many private sector operators to provide maintenance because extra revenue is "skimmed off." Ultimately, this skimming practice results in a deteriorated public investment that may be a future taxpayer liability.

III. Consistent Water Levels

More consistent water levels, with better guarantees of lake access, are necessary to encourage non-federal management of Corps projects.

IV. Economic Models

Corps policies that recommend use of the 'willingness to pay' model for determining economic benefits of recreational use of Corps projects should be reviewed. The 'willingness to pay' is a specialized tool used by few research analysts and is not consistent with economic impact models used by other federal agencies. If this system of determining economic impacts is changed to be consistent with other recreation providers, the Corps will find recreation benefits far outweighs their costs.

V. Misconceptions

Corps officials frequently express concerns about 'commercialization,' 'over-development' and 'seasonality' of recreation areas. Local project managers realize that much development can occur without affecting the project's natural resources, and, in fact, may enhance the people's opportunity to enjoy the reservoir systems.

Corps officials at times are overly concerned about the effect on a recreational business of the short length of the recreation season, particularly here in North Dakota. They have tended to be overly concerned and cautious about encouraging privatization because of this factor. We believe that if the state is willing to provide backing for a private development, Corps officials should provide encouragement and promote quick action on our privatization efforts.

January 29, 1990

ODNR
OHIO DEPARTMENT OF
NATURAL RESOURCES

Fountain Square
Columbus, Ohio 43224

Major General R.S. Kem
Department of the Army
U.S. Army Corps of Engineers
Washington, D.C. 20314

Dear Major General Kem:

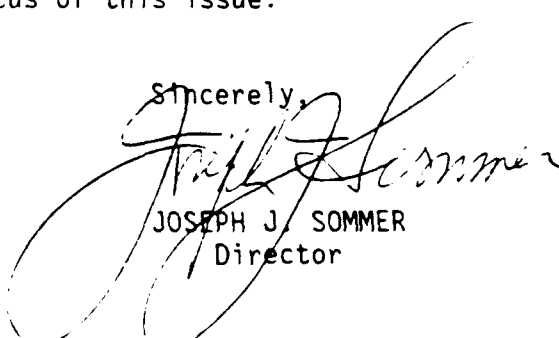
Your letter to Governor Richard Celeste, regarding the future of recreation facilities at Corps' projects was forwarded to our department for response. Thank you for the opportunity to comment on this important issue.

The Ohio Department of Natural Resources has encountered fiscal constraints very similar to those the Corps is currently experiencing. Our department has undertaken cost cutting measures and is actively involved with regional and local parks and recreation departments to develop alternative funding sources to meet our management, rehabilitation and development needs. At this time, it would be almost impossible to assume the additional management responsibilities of Corps' water development projects.

In your attached issues for consideration, you listed incentives to build partnerships between the federal and non-federal sectors. We suggest that when clear and defined needs are exhibited for facilities and/or access to Corps' properties, the Corps should consider a cost-sharing incentive with the outgrant state to acquire access or develop facilities. A 50-50 cost sharing arrangement could be an appropriate starting point for negotiation.

Once again, thank you for the opportunity to comment. It is the shared hope of Governor Celeste and this Department that a mutually agreeable alternative for the future management of these areas can be reached. We are looking forward to any future reports on the status of this issue.

Sincerely,



JOSEPH J. SOMMER
Director

JJS/cag

cc: Dave Wahus, Executive Director
Recreation Task Force
Ted Ford, Office of the Governor
Len Roberts, Deputy Director
Recreation Management
John Piehowicz, Deputy Director
Resource Protection
Stanley Spaulding, Chief
Division of Parks & Recreation
Clayton Lakes, Chief
Division of Wildlife
Dr. Michael D. Craden, Chief
Office of Outdoor Recreation Services
Bob Lucas, Office of Chief Engineer

Richard F. Celeste, Governor



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL RESOURCES

2150 Herr Street
Harrisburg, Pennsylvania 17103-1625

December 28, 1989

717-787-6640

Bureau of State Parks

Maj. General R.S. Kem
U.S. Army Corps of Engineers
Washington, DC 20314

Dear General Kem:

Governor Robert P. Casey has asked me to respond to your letter of December 14, 1989, concerning the expansion of the role of non-federal public and private entities in providing recreational opportunities at Corps' water resource development projects.

The Department of Environmental Resources currently leases approximately 2,837 acres of park land from the U.S. Army Corps of Engineers. In the early 1980s several park land leases with the COE had been terminated because of budget constraints. In 1987, Governor Casey and the General Assembly recognized that years of neglect had left our state parks at risk. Accordingly, funding for the park system has been increased approximately 30% over the past three years. For the first time in more than a decade, new staff members have been hired. Yet the system continues to experience intense pressures on its natural and financial resources and increasing demands on park facilities and infra structure.

In June, as part of the "State Parks 2000" planning initiative, the Department of Environmental Resources distributed 120,000 state parks questionnaires. More than 13,000 Pennsylvanians took the time to let us know their concerns, opinions, and ideas about their state parks. The enthusiastic public response is indicative of the importance of Pennsylvania's state parks to the citizens of the Commonwealth and their concern about the future of the state park system.

The administration's State Parks 2000 initiative is intended to accomplish something that has never been done before — enlist all Pennsylvanians in a comprehensive planning program to guide the future of Pennsylvania's state park system.

Over the next several months we will hold a series of public meetings across the Commonwealth to receive further comments. Following this public review we will prepare a final State Parks 2000 plan to be released in late spring next year.

We must find new sources of money to adequately staff, operate, and maintain a system of parks providing modern facilities and high quality recreational opportunities. Until State Parks 2000 is finalized and implemented, we are apprehensive about expanding our role as a non-federal public entity providing additional recreational opportunities on COE leased park land. However, I would appreciate receiving a copy of your plan to maintain and/or enhance public recreational opportunities at Corps Water Resource Projects when it is available from the Corps' Recreation Task Force.

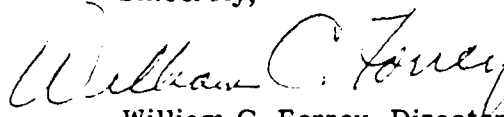
Maj. General R.S. Kem

- 2 -

December 28, 1989

Your concerns for sustaining and enhancing current COE programs within current budget constraints are appreciated and I would like to thank you for taking the time to contact us.

Sincerely,


William C. Forrey, Director
Bureau of State Parks



State of Rhode Island and Providence Plantations

EXECUTIVE CHAMBER, PROVIDENCE

Edward D. DiPrete

Governor

January 2, 1990

R. S. Kem
Major General, U.S. Army
Deputy Commander
Department of the Army
U.S Army Corps of Engineers
Washington, D.C. 20314

Dear Major General Kem:

On behalf of Governor DiPrete, I would like to thank you for your recent letter regarding the Army Corps of Engineers Recreation Task Force.

As you mentioned, Rhode Island currently has no Corps water resource development projects providing recreational opportunities. However, there are no existing laws, policies, or other constraints that deter greater involvement by non-federal interests.

On the State level, Rhode Island does utilize the Rhode Island National Guard and the United States Navy Construction Battalion in Davisville for public recreational support projects, provided that the projects fit into their respective training programs. As you must experience at the federal level, budget constraints have made it essential to examine our expenditures very carefully and, therefore, I would be very interested in any suggestions that you may have.

Once again, thank you for your letter and do not hesitate to contact me if you have any further questions or comments.

Sincerely,

Sally Dowling

Sally T. Dowling, Director
Governor's Policy Office



STATE OF SOUTH DAKOTA

GEORGE S. MICKELSON
GOVERNOR

EXECUTIVE OFFICE
STATE CAPITOL
PIERRE, SOUTH DAKOTA
57501
(605)773-3212

January 4, 1990

Mr. Dave Wahus
Executive Director
Recreation Task Force
U.S. Army Corps of Engineers (CECW-ZR)
20 Massachusetts Avenue, NW
Washington, D.C. 20314-1000

Dear Mr. Wahus:

I appreciate the recent letter from Major General R. S. Kem and commend the Corps of Engineers for establishing a recreation task force to address recreational opportunities at federal water projects. South Dakota is very interested in this issue and would like to be actively involved in the efforts of the task force.

I am a strong advocate for economic development in this state, and firmly believe tourism/recreation can play a vital role in accomplishing our development objectives. Recreation along the Missouri River in South Dakota has become a major industry worth millions of dollars to our economy, and the Corps of Engineers is an important player in this enterprise. Tourism and recreation activity along the Missouri River has increased at a rate of over thirteen percent per year for each of the past four years. The Sport Fishing Institute, a national nonprofit conservation association, has estimated the economic impact of sport fishing in South Dakota is \$53 million annually, and forty percent of such activity is generated by the Missouri River. Projections based on a 1983 study, "Economic value of Recreation and Fisheries Equipment," would place estimated resident and nonresident expenditures for fishing, hunting and recreation on the four reservoirs in South Dakota at over \$156 million annually. (See enclosed report.)



I recognize the Missouri River as one of our most important natural resources, finite and renewable. In order to address the issues of Missouri River fish and wildlife resources, bank stabilization and tourism/recreation development, I have established the Missouri River Resource Enhancement Program. (See enclosed report and resolution.) The objective of this program is to properly balance the protection, use and development of the river on a sound and coordinated basis. As part of this effort, I have specifically directed the Departments of Water and Natural Resources and Game, Fish and Parks to develop a plan to address Missouri River fish and wildlife mitigation and enhancement, and to identify key areas in need of bank stabilization. These agencies have been working with the Corps of Engineers and the U.S. Fish and Wildlife Service on such plans, and I look forward to implementing their recommendations.

In addition, I directed the Departments of Tourism and Game, Fish and Parks to assess the feasibility of Missouri River tourism/recreational development. The feasibility report, prepared by Recreation Management Opportunities, Inc., has been completed, and I believe it provides us with a good plan regarding how we should proceed with such projects. (See enclosed report.) As the report indicates, we do not intend to move forward with any Level I full service residential resorts since the market is simply not sufficient to justify these types of facilities. The report also recommends the development of four Level II destination resorts such as the River Ranch Resort project, and we do intend to support such projects. Please understand these projects will not, in any way, exclude public use and access.

The six Missouri River reservoirs provide about 5,950 miles of shoreline, which is roughly equal to the 6,050 miles of coastal shoreline in the combined states of California and Washington. In South Dakota, we have about 2,850 miles of Missouri River shoreline, which is roughly equal to the 3,035 miles of coastal shoreline in the state of California. The RMO, Inc., report recommends four major tourist facilities and eight support facilities. I do not believe anyone would consider four major facilities along the California coast to be an over-saturation of that resource, and I do not believe such facilities will over-saturate the Missouri River shoreline in South Dakota. Nevertheless, we intend to take a careful and deliberate approach to developing these facilities. Such

development will not happen overnight. In fact, it may take twenty years to see the level of development recommended in the RMO report. I believe this development should occur to the extent sufficient markets exist to support development, and to the extent such development does not impair our fish and wildlife resources.

The state has already provided substantial cost-sharing funds to support Missouri River recreational development, and we intend to provide further financial support for sound projects. Over the past few years, the state and the Corps of Engineers have jointly implemented a \$12 million Missouri River recreational development program. The state share for this effort was \$7.7 million and the program included improvements at 21 lake access areas, 13 lakeside recreation areas, and 15 fishery enhancement sites. The state is also willing, and has committed, nonfederal funds to cover public sewer, water and road access costs associated with various resort and recreational facility projects in much the same way as the state provides support for industrial park infrastructure requirements.

From our perspective, the Corps of Engineers needs to address both existing facilities and future development, while recognizing fiscal reality. We know the federal budget deficit will loom over us for several years and future budgets will be equally lean, if not even leaner than this year. Rather than engage in yearly budget battles, I believe it is time for the state to sit down together with the Corps of Engineers and develop a long-range recreational management plan. This plan should address directing limited resources to those facilities which enjoy the greatest use, improving existing facilities, and developing new facilities to meet expanding and diverse recreational interests. With such a plan in place, we can fashion federal and state budgets accordingly. We must develop a complementary federal and state strategy to accomplish our river management objectives, rather than engage in adversarial, counter-productive conflicts over budget requests and recreational facility needs.

South Dakota has stepped up its efforts to develop new park facilities and maintain state managed sites along the Missouri River. The state of South Dakota now budgets and manages over one-third of the recreational sites owned by the Corps of Engineers. However, South Dakota's best efforts at

developing our Missouri river recreational resources will be negated without greater cooperation from the Corps of Engineers.

The Corps of Engineers is reducing its prime work force available to maintain recreation areas, and placing a heavier reliance on contracted services. Contracted services now make it very difficult for the local Corps of Engineers' office to respond in a timely manner to all of the problems associated with low water. Such services must offer greater flexibility to deal with emergencies, over-utilized facilities and daily problems at boat ramps caused by siltation and receding water levels.

In regard to future development, the Corps of Engineers can greatly assist or hinder the state in securing new Missouri River tourism/recreational projects. In particular, the Corps of Engineers must address the leasing process, financing, and the adequacy of reservoir water levels in conjunction with the federal responsibility for Missouri River development. The Corps of Engineers must do more to support public/private partnerships and allow greater access to public lands for sound public/private development projects.

We are currently in the process of working with the Corps of Engineers, the local project sponsor (Lyman County), and the developer (Regency Inns Management, Inc.) to obtain a lease for the proposed River Ranch Resort project on the Missouri River near Oacoma, South Dakota. The lease application for this project was submitted to the Corps of Engineers-Omaha District on March 1, 1989, and we wish to commend the district for the positive support that has been received during the application review process. At the same time, however, we have encountered some difficulty due to a lack of clear policies and criteria associated with obtaining the lease. The level of detail required in the application, the mitigation requirement for non-wildlife resources, and the linkage between obtaining a lease and obtaining a Section 404 permit have resulted in a lengthy, time consuming application process. In addition, we must still obtain approval from the Corps of Engineers' Missouri River division office and the Chief of Engineers' headquarters office prior to entering into the lease. Thus, it will probably take us 12-18 months just to complete the lease application process. We need to improve the system for obtaining a lease, and have a number of suggestions in this area. For example, perhaps the Corps of Engineers' district office should be able to enter into

a lease on a contingent basis subject to the applicant obtaining all necessary federal and state permits. This could reduce substantially the time required to obtain a lease, serve as a showing of positive intent on the part of the Corps of Engineers, and allow the sponsors/developers to proceed with investing the time and money required to develop such a project without undue risk.

In the financing area, the Corps of Engineers and other federal agencies such as Economic Development Administration (EDA) should review existing federal grant and loan programs to possibly make assistance available for tourism/recreation projects. For example, the Corps of Engineers Section 107 small navigation program should be made more accessible for marina and marina break water facilities in conjunction with Missouri River development. In addition, the construction of sewer, water, road and other support facilities should receive federal funding support within existing budget constraints. While the Corps of Engineers is authorized by P.L. 89-72 to enter into cost-sharing agreements for recreation development, the current Corps of Engineers policy of not cost-sharing in such projects with local sponsors is self-defeating and stymies needed improvements. The Corps of Engineers must take a positive view toward contributing funding for projects if it is going to be successful in promoting the development, enhancement and operation of recreation facilities by non-federal public agencies and the private sector. Further, if the Corps of Engineers wishes to encourage non-federal financing of new projects, current federal policy restrictions on exclusive use facilities should be reviewed and possibly revised. While ensuring public use of the Missouri River shoreline is a critical requirement, it may be appropriate in certain limited cases to consider innovative leasing arrangements and special use options.

Another matter of great concern to South Dakota is the issue of Missouri River reservoir operations and highly variable water levels. While reservoir water level problems in this area have been greatly compounded by the current drought, we must recognize the changing use of the Missouri River and develop a more contemporary reservoir operating plan. The upper Missouri River basin governors have directly addressed this water level problem on a short-term and long-term basis, and we believe strongly in the need to establish minimum reservoir water levels. (See enclosed position statement.) We do not oppose reservoir

Mr. Dave Wahus
January 4, 1990
Page 6

releases for downstream summer and winter purposes such as navigation and water supply intakes, but we do believe it is possible to develop a more efficient, conservation based reservoir operating plan to meet the many existing and emerging needs of both upper basin and lower basin states.

We hope these general comments will assist the Corps of Engineers recreation task force, and would be pleased to further discuss these issues with you in greater detail. Please contact Tim Edman of my senior staff if you wish to further pursue this subject.

Again, I commend the Corps of Engineers for your efforts in this area and wish you success.

Very truly yours,



GEORGE S. MICKELSON

GSM:tel

Enclosures



STATE OF TEXAS
OFFICE OF THE GOVERNOR
AUSTIN, TEXAS 78711

WILLIAM P. CLEMENTS, JR.
GOVERNOR

March 19, 1990

Mr. R. S. Kem
Major General, U.S. Army
Deputy Commander
U.S. Army Corps of Engineers
Washington, D.C. 20314

Dear General Kem:

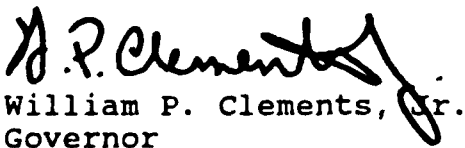
Thank you for your correspondence regarding expanding the role of non-federal public and private entities in providing recreation opportunities at Corps projects.

I support your efforts to explore innovative methods of maintaining and enhancing public recreational opportunities at Corps water resource projects. However, the state of Texas would be unable to assume operation of any of the small access parks currently operated by the Corps. In addition to our own budget constraints, I feel the wide distribution of these parks would greatly impede our ability to provide proper management. Numerous free access points on lakes also severely limit our ability to collect fees, which can be used to defray operating expenses.

I understand that the Corps has discussed the operation of larger, more economical and manageable units with the Texas Parks and Wildlife Department. I would encourage you to continue that working relationship. I would also support continuation of funding assistance on a matching basis for park development and operation costs.

Again, thank you for the opportunity to provide my comments and suggestions.

Sincerely,


William P. Clements, Jr.
Governor

WPC:SWB/aa/bf

State of Vermont

Department of Fish and Wildlife
Department of Forests, Parks and Recreation
Department of Environmental Conservation
State Geologist
Natural Resources Conservation Council



AGENCY OF NATURAL RESOURCES

103 South Main St., 10 South
Waterbury, Vermont 05676

DEPT. OF FORESTS, PARKS AND RECREATION
Tel: (802) 244-8714

February 23, 1990

R. S. Kem
Major General U.S. Army
U.S. Army Corps of Engineers
Washington, D.C. 20314

Dear General Kem:

Governor Madeleine Kunin has asked me to respond to your letter of 14 December, 1989 about your plan to use non federal public agencies and the private sector to operate Corps recreation facilities. We apologize for the delay in responding to your letter. A variety of circumstances including some confusion about what was expected has caused the delay.

At the present time our Department and Fish and Wildlife Department lease a portion of the North Hartland Lake area from the Corps where we manage a campground and waterfowl area. A number of years ago through an agreement with the Corps we managed the beach at North Springfield Lake. The campground is doing well and is an asset to our system. We gave up the North Springfield area partly because it was a financial liability. Our present financial situation prevents us from accepting any additional arrangements with the Corps unless their operation would be at least cost covered either through fees and charges or financial support from the Corps. Our recent experience leads us to believe that local government in our state is in same or similar situation. We have been trying to lease one of our operations to the private sector. The private sector is not interested unless they can make a profit. Our observation is that except maybe for Ball Mountain Lake Campground, none of your remaining facilities in Vermont can meet those expectations under their present operating mode.

We are not aware of any legal or policy constraints that would deter greater non-federal involvement. From our perspective here the important incentive for non-federal involvement as I stated in the previous paragraph is financial support. We are not aware of any other federal programs that could assist in non-federal involvement.

Sincerely,

A handwritten signature in dark ink, appearing to read "Paul W. Hannan".

Paul W. Hannan, Commissioner

tlp
cc: George Hamilton
Daniel M. Wilson
Edward J. Koenemann



COMMONWEALTH of VIRGINIA

Office of the Governor

Gerald L. Baliles
Governor

Richmond 23219

December 19, 1989

Major General R. S. Kem
Deputy Commander
United States Corps of Engineers
Washington, D. C. 20314

Dear General Kem:

Governor Baliles has asked me to thank you for your letter of December 14 advising that the Army Corps of Engineers has established a Recreation Task Force to develop a plan to maintain and/or enhance public recreational opportunities at Corps water resource projects.

The Governor appreciated having this detailed information. We will be back in touch with you if we have any comments.

With kindest regards, I am

Sincerely,

Robert B. Jones, Jr.
Special Assistant

jw

cc: The Honorable John W. Daniel, II
Secretary of Natural Resources



COMMONWEALTH of VIRGINIA

Office of the Governor

Richmond 23219

December 29, 1989

John W. Daniel, II
Secretary of Natural Resources

(804) 786-0044
TDD 371-8334

Major General R. S. Kem
Deputy Commander
United States Corps of Engineers
Washington, D.C. 20314

Dear General Kem:

I am writing to follow up on your recent correspondence with the Governor's Office regarding the establishment of a Recreation Task Force.

The Virginia Department of Conservation and Recreation administers the Virginia state park system and provides financial assistance to state agencies and political subdivisions for the acquisition and development of public outdoor recreation areas. The Department also prepares the State Comprehensive Outdoor Recreation Plan and provides recreation technical assistance to the public and private sectors.

Department staff will have an interest in your plans for U.S. Army Corps of Engineers recreation projects in Virginia. If appropriate, the Department's staff would be willing to provide input at your Task Force meetings or via correspondence. If this arrangement is agreeable with you or some other approach is more appropriate, please contact:

Mr. Arthur H. Buehler
Division of Planning and Recreation Resources
Department of Conservation and Recreation
203 Governor Street, Suite 326
Richmond, Virginia 23219

Thank you for your consideration.

With kindest regards, I am

Sincerely yours,


John W. Daniel, II

cc: Mr. B. C. Leynes, Jr.
Mr. Arthur H. Buehler



TOMMY G. THOMPSON

Governor
State of Wisconsin

February 1, 1990

Major General R.S. Kem
U.S. Army
Deputy Commander
Department of the Army
U.S. Army Corps of Engineers
Washington, D.C. 20314

Dear Major General Kem:

Thank you for your recent letter requesting my comments concerning "opportunities, constraints, and capabilities for expanding the role of non-federal public and private entities in providing recreation opportunities" at certain Corps of Engineers' projects.

To assist me in making relevant comments on this topic, could you please provide me with additional information that identifies the specific recreation facilities available at the projects listed in your correspondence? Please direct the information to Ms. Tanace Matthiesen, Wisconsin Department of Administration, Federal/State Relations, Post Office Box 7868, Madison, Wisconsin 53707-7868. If you have any questions, please contact Ms. Matthiesen at (608) 266-2125.

Thank you again for requesting my input.

Sincerely,

A handwritten signature in cursive script that reads "Tommy G. Thompson".

TOMMY G. THOMPSON
Governor

TGT/poj



State of Wisconsin

DEPARTMENT OF NATURAL RESOURCES

Carroll D. Besadny, Secretary
Box 7921
Madison, Wisconsin 53707
TELEFAX NO. 608-267-3579
TDD NO. 608-267-6897

May 14, 1990

Major General R.S. Kem, U.S. Army
Deputy Commander
Department of the Army
U.S. Army Corps of Engineers
Washington, D.C. 20314

Dear General Kem:

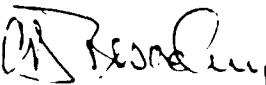
Your December 14, 1989 letter to Governor Thompson regarding a Recreation Task Force on maintaining and/or enhancing public recreational opportunities at Corp projects was recently referred to me for response. I understand that your staff desired an early response. Therefore, I can only provide general information.

In reviewing the list of Corp recreational facilities in Wisconsin, most are already managed by non-federal public agencies and the private sector. There are no policies or laws that would prevent greater non-federal or private involvement on Corp facilities in Wisconsin. However, it is unlikely that you will find many non-federal public agencies or the private sector that would accept management responsibilities on Corp facilities without some type of economic incentive. Incentives could take the form of long-term agreements where the non-federal interests could charge adequate fees to provide sufficient funds to operate the site, or the Corp could lease or contract maintenance.

The Department has had some success in using non-state public agencies and private sector groups to manage some state properties. Local towns and civic organizations maintain boat launches and small day-use parks by contract or lease. We find in many cases it is often cost-effective to contract the maintenance on these parks. The Department has also had some success establishing "Friends" groups, which are a group of people that help provide manpower and funds for managing some of our state parks. The Department's Bureau of Parks and Recreation has prepared a handbook for "Friends" groups (attached). These techniques may be an alternative for some of the Corps projects.

I hope this information is of some value to the Task Force. Please feel free to contact Doug Fendry in the Department's Bureau of Property Management if you would like more information on our contracts, leases or the "Friends" program.

Sincerely,


C.D. Besadny
Secretary



STATE OF WYOMING
OFFICE OF THE GOVERNOR
CHEYENNE 82002

MIKE SULLIVAN
GOVERNOR

January 22, 1990

Major General R. S. Kem
Deputy Commander
U.S. Army Corps of Engineers
Department of the Army
Washington, D. C. 20314

Dear Major General Kem:

Thank you for your recent letter soliciting information from the State of Wyoming regarding the efforts underway by the Corps to develop a plan to maintain and/or enhance public recreational opportunities.

The Recreation Task Force established for this effort has been assigned a rather formidable task. It is a task however, that should not be taken lightly and I would encourage the Corps to make every effort to obtain. I am positive my fellow Governor's in the states which contain Corps recreation projects have clearly stated to you the importance of recreation and tourism to their state's economy and employment. This is also true in Wyoming. Therefore, the directive for this Task Force by Mr. Robert W. Page, the Assistant Secretary of the Army for Civil Works, to not consider the closure of facilities and to explore the potential for future operations by non-federal entities is commendable.


I would suggest to the Recreation Task Force that the provision of outdoor recreation opportunities in the State of Wyoming is an example of an outstanding success story worthy of further study. Wyoming has an excellent working relationship between all levels of government and the private sector. Six of Wyoming's state parks are operated at federal Bureau of Reclamation reservoirs through individual lease agreements. Many of these state parks also have private concessionaires in operation.

Major General Kem
January 22, 1990
Page 2

Non-federal public agencies and the private sector can, and do, operate at federal facilities. I would add however, the most important ingredient for success in this matter is cooperation by all parties involved. This cooperation is only obtainable through honest and open communication. I would hope the work of the Task Force would recognize these factors.

While I have not addressed the potential issues for consideration as you listed, I trust that I have at least provided some food for thought. I would encourage you to keep Wyoming abreast on the progress made in regards to this project and I would request a copy of your final report. The Wyoming Recreation Commission; specifically Mr. Gary Thorson, Chief, State Parks Division, who may be reached at (307)777-6324, will assist you if additional information is required.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Mike Sullivan", with a stylized, flowing script.

Mike Sullivan

TENNESSEE VALLEY AUTHORITY
KNOXVILLE, TENNESSEE 37902

ICE OF THE BOARD OF DIRECTORS

APR 3 1990

Major General R. S. Kem
Deputy Commander
U.S. Army Corps of Engineers
Washington, D.C. 20314

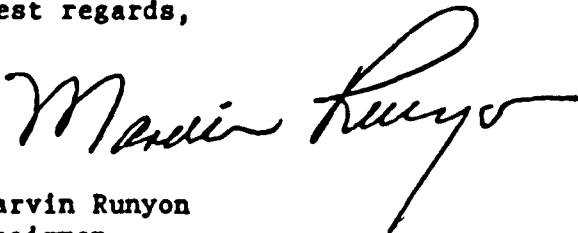
Dear General Kem:

Thank you for your March 6 letter describing your Recreation Task Force and its focus on maintaining and enhancing public recreational opportunities at U.S. Army Corps of Engineers (USACE) projects in the face of budget constraints.

Over the past several years, TVA has employed a variety of approaches to achieve quality management of our public recreational facilities. A number of arrangements have been used in response to reduced funding, including cooperative maintenance agreements with other public agencies and volunteers, commercial licenses, concession agreements, and long-term leases. In addition, we have furnished planning and technical assistance to public agencies and the private sector who provide recreational facilities on the reservoir system. I have asked our Operations and Maintenance/Public Use Department staff to contact Dave Wahus to further discuss the task force's activities and offer more detailed input on TVA's experience with cooperative maintenance arrangements.

Thank you for the opportunity to share our experiences. We look forward to learning more about USACE's plans concerning this matter.

Best regards,



Marvin Runyon
Chairman



United States Department of the Interior

FISH AND WILDLIFE SERVICE

WASHINGTON, D.C. 20240



ADDRESS ONLY THE DIRECTOR,
FISH AND WILDLIFE SERVICE

In Reply Refer To:
FWS/RF/90-1404

APR 10 1990

R.S. Kem, Major General,
U.S. Army, Deputy Commander
CECW-ZR
20 Massachusetts Avenue, NW
Washington, D.C. 20314-1000

Dear General Kem:

This letter is in response to your request for information on U.S. Fish and Wildlife Service (Service) strategies and programs for providing recreational opportunities on Service lands. As you have indicated, we do conduct programs in volunteers, challenge grants, cooperating associations, and the Youth Conservation Corps. Additionally, many refuges are adopted by the Audubon Society.

Each one of the programs listed above have individual and unique impact on national wildlife refuges. Rather than trying to break each program down individually in this letter, I have enclosed a briefing or other information on each topic for your review.

If you have any questions on any of these programs, feel free to call Charles L. Holbrook, Division of Refuges (703) 358-2029 FTS 921-2029.

Sincerely,

DIRECTOR

Enclosure

U.S. ARMY CORPS OF ENGINEERS RECREATION STUDY

VOLUME II: APPENDIX I

Interviews and Regional Workshops Report

Final Report

**From a Set of Activities Designed to Identify and
Assess Options for Reaching the Goal of
Maintaining or Enhancing Recreation Opportunities While
Reducing Federal Net Spending**

**Prepared for
U.S. Army Corps of Engineers
Institute for Water Resources
Fort Belvoir, VA 22060**

**By
Clifford S. Russell
and
Timothy D. Feather**

**With
Planning and Management Consultants, Ltd.
808 West Main Street
P.O. Box 1316
Carbondale, IL 62903**

Contract #DACW72-89-D-0020

June 1990

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ACKNOWLEDGEMENTS

The data analyzed in this report were collected through the very capable facilitation efforts of Dale Brown. Dr. Brown, along with assistance from Kathy Surprenant, Lynn Mortensen, Linda Hale, and Tom Wandzilak guided the discussion of enthusiastic participants in a manner that encouraged input from participants and allowed equal opportunity to voice opinion. The facilitation team also digested the group input which allowed accurate summarization of the discussion sessions. The facilitation process for this project illustrated to those involved the "right way" to conduct a facilitated workshop, and more importantly provided the research benefits that result from an expertly conducted process.

Contacts at the U.S. Army Corps of Engineers, Institute for Water Resources, William Hansen (Contracting Officer) and Lawrence Skaggs, provided helpful and enthusiastic guidance and support.

The efforts of other Corps personnel involved in organizing individual regional workshops were also very much appreciated. Corps offices that took formal organizational roles were: North-Pacific Division, Portland District, Southwestern Division, Ft. Worth District, Missouri River Division, Pittsburgh District, Rock Island District, and the South-Atlantic Division.

Michael Huff of Vanderbilt University conducted interviews of experts in the field of recreation. Those who donated time to be interviewed were very much appreciated. Ideas and thoughts of the recreation management experts collected during this stage of the project provided in-depth insight into important recreation management issues.

Finally, the hard-working staff at Planning and Management Consultants, Ltd. were instrumental in production of this report. Duane Baumann provided valuable input during the organization and planning stages of this research endeavor. Nancy Hanna-Somers, Don Burk, and Judith McFarlin put forth extensive efforts towards making this a concise and usable work. The professional editorial assistance provided by Teresa White was also greatly appreciated.

EXECUTIVE SUMMARY

ELEMENTS OF THE STUDY

As part of the process of developing and assessing options for reaching the broad goal articulated by the Assistant Secretary of the Army (Civil Works)

"...to find ways to maintain and enhance recreation opportunities nationwide while reducing federal expenditures,"

the Recreation Task Force set in motion a variety of efforts for obtaining input from relevant concerned publics. This report deals with three of those efforts.

1. A series of about forty personal interviews held in January, 1990 with individuals who, for one reason or another, were believed to have important insights to share. (This effort is described in Chapter 1.)
2. A facilitated workshop for Corps personnel involved with recreation management. This was held at the Natural Resources Management Conference in Nashville, Tennessee, in early February, 1990. (This effort is described in Chapter 2.)
3. A series of facilitated workshops held in six cities around the nation in March and April, 1990. These were designed to elicit input from members of the many concerned publics, including those directly involved with Corps projects as developers or concessionaires; those concerned with recreation's role in regional economic development; employees of federal, state, and local governments; representatives of conservation and project user groups, and academics. (This effort is described in Chapter 3.)

RESULTS

Chapters 2 and 3, especially, present summaries of the enormous amount of data generated by these efforts. Most of the results are, on reflection, not surprising. Respondents from business favor policies that are directed at helping businesses. State and local government officials would like to see more federal dollars in the form of facilities cost-sharing. Almost everyone is suspicious of private developers and private exclusive use arrangements. And almost everyone would like the Corps to find additional money for recreation either by changing the way its own books are kept (e.g., cross-subsidizing recreation out of hydropower earnings) or by somehow persuading Congress and the administration to be more generous.

A few results are, however, worth singling out in some cases because they are surprising, in others because they are reassuring, and in still others because of their sheer pervasiveness.

- There is widespread support for a major continuing role of the Corps in recreation. Certainly there is no widely agreed-on or even perceived alternative.
- There is also widespread support for the Corps' role in protecting the natural environment at its projects. Indeed, some respondents think the Corps could and should be even tougher on matters such as groundwater and natural areas.

- There is, however, equally widespread and often quite agitated frustration with the Corps' bureaucratic structure and behavior. Specific complaints included excessive delays in lease and permit approvals, inconsistent messages from different administrative layers, and the sheer complexity of regulations.
- Most surprising to us: there was some significant support for, and no widespread or vehement opposition to, more realistic pricing of everything from a recreation day (e.g., launching a bass or ski boat) to a permit to build a private dock.
- There was little opposition to encouragement of private-sector cooperation per se, but there is a strong strain of opposition to arrangements in which private sector equals exclusive use. Our interpretation of these data is that there may be opposition to granting exclusive use to, say, a yacht club that keeps out the public by fiat, but not to a marina that is open to public use on payment of a fee.

RECOMMENDATIONS

1. The Corps should commit itself to, and obtain necessary authority for, charging at least approximately efficient prices for all recreation users that have a private-good character. These at least should include day-use, recreation activities (other than just looking or sight-seeing), the granting of concession and development leases, and the granting of various types of private, exclusive-use permits.
2. The Corps should work to change several facets of its policy toward private-sector developers and concessionaires. Particular examples include:
 - Lease terms should be longer, providing lease payments reflect market values.
 - Lease holders should themselves be free to charge market prices except in what are probably unusual circumstances involving near-monopoly conditions.
 - Nonprice regulation of leaseholder operations should be lightened up, except as it pertains to the natural environment. As a particularly potent symbol of existing micromanagement, the treatment of permits to serve liquor should be changed.
3. Finally, we recommend that the Corps define a new functional area at every level. This might be called "nonfederal initiatives." It would be symmetric with real estate, natural resources, planning, etc. But it would have as its mission successfully involving state, regional, local, and private institutions in recreation development and management at Corps projects. Thus, career rewards would come from being helpful, prompt, etc., and at best, the "corporate culture" would evolve toward outward-looking service.

CHAPTER 1

THE PERSONAL INTERVIEWS

In fulfillment of the first element of the task order governing this contract, forty-four individuals were interviewed at twenty-three places around the United States. These interviews were carried out during January and early February, 1990. In all but a few cases, the interviewees were chosen by the technical monitor as representatives of projects, firms, or state programs of intense interest to the study. In a few cases, the interview team exercised its discretion and followed up on suggestions made by other respondents.

The respondents came from both the public and private sectors. Within the latter, those interviewed included developers (and would-be developers), concessionaires (and would-be concessionaires), architects, economic consultants, and private persons serving on public bodies such as tourism boards. Public-sector respondents included individuals working at the town or city, county, state, and federal level as well as employees of special development authorities set up by state governments but with some autonomy. (A complete summary of the interviews is provided in Table 1-1.)

Because the backgrounds of the interviewees varied so widely and because the nature of their individual involvement with the Corps also ran across a wide spectrum, the tone and content of the set of interviews spawned a wide range as well. Appendix A to this report contains narrative summaries of the interviews, with the privacy of each interviewee protected to the extent possible. (In some cases local references could not be eliminated without destroying meaning, and from these, identities can be inferred.)

INTERPRETATION

Anyone who reads even a sample of these interviews will discover, that despite the range of specific concerns, a few major themes keep reappearing. In this next section, one version of those themes is set out and specific examples are given.

But first, Figure 1-1 portrays our interpretation of the interview results in a schematic way. Here, the goals of the study as they pertain to existing and potential future sites are portrayed as "protected" from "attack" by successive lines of fortification. The attacking columns are the options: nonfederal involvement (private, state, local, and regional authority); increased revenues via fees; increased efficiency in Corps-controlled operations; and offering of increased recreation opportunities (especially in terms of types of recreation experiences). The "defensive lines" consist of problems created by the natural world; elements of economic reality; ethical and political concerns; the content of applicable laws and regulations; and the all-encompassing problem of the Corps' unwieldy and unresponsive bureaucracy. The schematic makes it clear that the lines are deepest on the privatization front, though the strength of the fortification created by state and local financial limitations may be enough to single-handedly beat back attack in that sector. Certainly the figure does suggest that attaining the objectives of the National Recreation Study will be far from easy.

TABLE 1-1

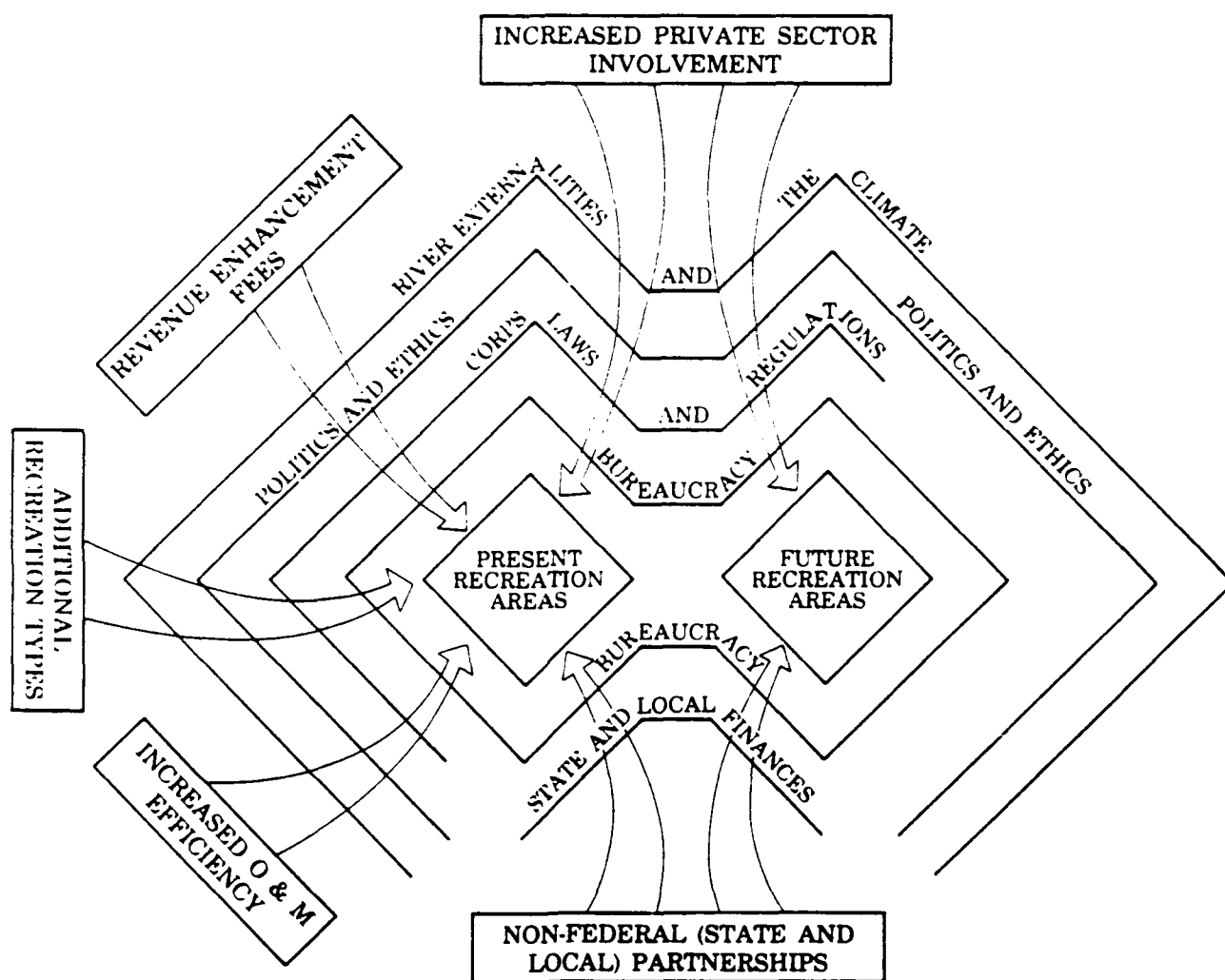
INTERVIEWS HELD JANUARY/FEBRUARY 1990

STATE	LOCATION	INTERVIEWER	PERSON INTERVIEWED	POSITION/FIRM OR AGENCY	MOTIVATION
Arkansas	Little Rock	Huff	Greg Butts Richard Davies Chris Peek Robert Gruber	Mgr. Plan & Dev. AR of Dpt Parks & Tourism State Parks, Director Mgr. Admin. Resort Grp VP, Fairfield Communities	Interested State Developer at Corps Lake
Georgia	Atlanta Lake Lanier	Russell/Huff	J.D. Wingfield, Jr. Roy Burton Tim Crawford	Snr VP, Hammer, Siler, George Exec Dir, Lake Lanier Is Dev Auth Principal, Rosser Fabtrap	Oct 88 Mtg* Master Lessee at Lake Oct 88 Mtg
Illinois	Shelbyville	Feather	Ed Forrester	President, Eagle Creek Resort	Lake Shelbyville Developer
Indiana	Indianapolis	Huff	Jack Costello	Dep Dir. Land, Forest, Wildlife, IN Dept of Nat Resources	Innovative State
Mass	Columbus Jackson	Huff	Robert Ivy John Horhn	Proprietor, Ivy Architects Assoc. Dir, Troutlet Dev, MS Dpt of Econ & Comm Dev	Oct 88 Mtg Innovative State/Ind Rec
Missouri	St. Louis	Feather	Tony Gardina Tom Hewlett Jack Naim Woodrow Sandlin Chuck Franko Bill Leven	U.S. Army Corps of Engineers " " " " "	Eagle Creek Development " " " " "
N. Dakota	Ft. Yates	Feather	Peter Caposella	Staff Ad'y. N. Dakota Dpt of Water Resources	Following up interview list
Oregon	Corvallis Portland Portland Salem	Feather	Perry Brown Dick Webster Jack Archer David Talbot	Char. Dpt of Resource Recreation Mgt, OSU US Army Corps of Eng " Dr. Parks & Rec Div OR Dpt of Transportation	Interview list Northwest Rec Group " Interview List
S.C.	Columbia McCormick	Huff	Mike Copeland Morrison Parron Bill McLaughlin	Pres, Fountains Co Exec Director, Savannah Valley Authority Deputy Dir	Oct 88 Mtg Oct 88 Mtg/Indepen Rec
S. Dakota	Aberdeen Chamberlain Kennebec Mobridge Oacoma Pierre Sioux Falls Yankton	Brown Feather	Lester Gosch Ken Gosch Dina Brandt Raymond Boe Richard Reuser Larry Atkinson Alice Hutmacher Larry Guedd John Brakus Tim Edman Bob Harford Doug Hofer Dee Dee Rapp Wes Broer David Sweet Greg Henderson	Potential Developer " Exec Dir, Lake Francis Case Devel Corp Lyman Co Commission " Ed & Publ, (former Dir, S.D. Bd of Tourism) City of Oacoma " Pres, Spring Creek Resort, Inc. S.D. Governor's Office S.D. Econ Development Dr. Parks & Recreation, SD Dpt Parks S.D. Dept of Tourism Exec Dir, Great Lakes of S.D. Assoc Pres, Regency Inns Mgt Inc Dir, S.D. Planning & Devel Dist III	Potential Developers " Local Rec Developer River Ranch Resort " River Ranch Resort River Ranch Resort " Concessionaire River Ranch Resort " Interview List S.D. Tourism Devel Comm Recreation Promoter River Ranch Resort River Ranch Resort
Washington	Seattle	Feather	Ron Myers Phil Parker Mike Tolstson	Outdoor Rec Planner, Nat Park Svc Chief, Concessions Mgt, Nat Park Svc Concessions Mgt, Nat Park Svc	Northwest Rec Group " "

* "Oct. '88 Meeting" refers to a preproposal meeting for private sector recreational development held in Atlanta, GA.

FIGURE 1-1

OBJECTIVES AND DEFENSES:
The National Recreation Study



SUMMARY OF THEMES

As themes, we take the identified barriers to successful attainment of the major goals of the study -- the defensive lines of Figure 1-1. We begin with those barriers that are caused by conditions over which the Corps has (or at least seems to have) little control and then work progressively toward the problems that appear to be created by the Corps itself.

- a. The imperatives of the natural world. There are two important subthemes here:
 - (i) The climate of those parts of the U.S. in which most Corps projects are to be found restricts mass, water-oriented recreation to a few months each year. The severity of the restriction varies from the southeast, where fishing and boating can be possible and even pleasurable for as much as ten months, to the northern middle west, where really harsh winter weather may last for three or four months, and where another three or four months are so chancy as not to encourage people to plan to participate. The effect of this climate reality is to make it hard for private enterprise to succeed in offering water-oriented recreation as a sole or even major product. Even the golf course is prey to climate to some extent. Recreation businesses of the type that can make particular use of Corps-owned sites are thus condemned either to a tough fight for survival or to being the marginal inducements at a conference destination resort. This, in turn, implies that the advantage of Corps sites over other sites is substantially less than meets the eye on a lovely summer day.
 - (ii) The realities of rivers and the original purposes of most Corps reservoirs further reduce the advantage of Corps land for private recreation providers. If water has to be released to maintain downstream navigation flows in a drought or has to be stored to prevent downstream flooding due to rain or snowmelt, businesses along the reservoir may suffer badly, losing the use of boating facilities (e.g., dry slips) or suffering from problems of appearance and inconvenience that go with flooding.
- b. Ethical and political positions and concerns. Three major subthemes surfaced in interviews in which this broad theme was touched on:
 - (i) There is a feeling within the Corps that an ecological imperative drives, and should drive, the management of Corps land. This imperative may be summarized usefully as protecting the natural look and feel of the lands around reservoirs. It seems to be widely believed within the Corps that private recreation developers do not share this ethic; that they will inevitably and regularly sacrifice woods, shorelines, wetlands, and even man-made artifacts such as old burial grounds. This belief leads both to practical efforts to anticipate and prevent it and, more damagingly, to the assumption that "private" equals "irresponsible."
 - (ii) Another ethical position that becomes a political position is that fees should not be charged for access to recreation opportunities (forgetting for the moment any legal stipulations that some kinds of fees cannot be charged.) This view taps an old theme in American public policy. It rests on an uneasy combination of concern for middle-class taxpayers who have "already paid once" for the facility and of poor people who, it is asserted, will be prevented from visiting and enjoying the psychologically healing experience of outdoor recreation.

This position clearly has negative implications both for the viability of private enterprise and for the Corps' own "revenue enhancement" option.

- (iii) A third ethical theme with political overtones is that of the proper object of state recreation programs. In brief, unless such programs are under the direction of a state department charged with encouraging economic development, they run afoul of the idea that recreation opportunities should be provided only for state citizens and taxpayers. To the extent that Corps sites are regionally attractive, this view prevents the potential from being tapped.
- c. Constraints created by economic reality at nonfederal levels. There is really one major and one minor theme here:
- (i) The major problem is the same one that is driving the Corps' national study: concern about government budgets. One might think of a pendulum in public life, swinging between the extremes of concern for public values, with attendant willingness to tax and spend to pursue those values, and concern for purely private values and consumption, with attendant unwillingness to tax away private incomes. If the 1960s and early 1970s saw the pendulum cross to the public extreme and start back, the early and mid-1980s have seen an extreme of private centeredness, a condition that in the 1950s came to be called the Affluent Society Syndrome. The pendulum may be starting back toward the middle, as all-too-evident public problems capture the electorate's attention, and political leaders tentatively experiment with suggesting that additional public money might be well spent in trying to solve them. But until this pendulum goes a considerable way in that direction, there is unlikely to be slack in most state or local budgets for acquiring new recreation responsibilities.
 - (ii) A minor subtheme here, and one that is hard to assess, is the claim that it is impossible for state government at one time to bind a later one. For example, a state park agency may enter into a Corps lease in 1990, but in 2000, a new legislature has the power to break the lease -- or so respondents seem to think. As a theoretical matter, this may be true. But one does not see wild zigzags in state policies on other matters; and it seems doubtful that outdoor recreation would be uniquely subject to them.
- d. Constraints created by laws and internal Corps regulations. Subthemes mentioned here include:
- (i) Lease terms are widely considered too short for private developers. Fifty years was often mentioned as a sufficient term, while terms between five and thirty years appear, at least to outside observers, to be preferred by the Corps. This is a well-known tension in several areas of policy -- for example, the creation of marketable pollution permits. The need to protect agency "flexibility" is seen as paramount; and the desire of private firms to be able to plan for the long haul is not seen as important.
 - (ii) Limits on the length of stay allowed at Corps campgrounds and other facilities are also seen by private and even state people as too restrictive. This problem appears to be related to underpricing. When camping space prices are lower than what the market price of comparable land suggests they should be, it will be attractive for owners of campers to effectively create a second home on almost rent-free ground. A private firm would

have no motivation to underprice, and this would make semipermanent camping much less attractive. But if underpricing were attractive for a few customers, the private firm would like to be able to take advantage of it.

- (iii) Prohibition against the sale of alcohol or discrimination against distilled spirits or against drinks sold in bars as opposed to restaurants also diminishes private-sector freedom of action and profit potential. This general policy may reflect the rural and Southern power bases of many early congressional supporters of Corps projects. It is currently justified by reference to the goal of providing "family recreation opportunities." The vision seems to be of seedy cocktail lounges full of lewd, predatory, and potentially violent drinkers who would travel to a Corps project for an exciting Saturday night rather than stopping in their local version of Nashville's Nolensville Road or Baltimore's "Block." A competing vision would be offered by a visit to any of a large number of upscale destination resorts, such as The Homestead, The Cloister, or The Broadmoor. Drinks may be available nearly all day and late into the night, but most people are too busy to drink. Now, it may be that there is a class, and hence a pricing, connection here. If so, the ethical (distributional equity) view that low or zero prices are good is in conflict with the view that drinking is bad.
 - (iv) This brings us to pricing regulation. The Corps evidently maintains the authority to review and approve prices to be charged by its lessees. To the extent that below-market prices are encouraged, other problems are created and with them the apparent need for additional regulations. And, of course, below-market prices make it that much harder for private firms to make a profit and encourage cutting corners on maintenance and service.
- e. The final theme -- undoubtedly the most pervasive in the interviews and certainly the closest to home for the Corps is that of bureaucratic behavior by Corps officials at every level. There is no point in repeating the many unflattering phrases used by respondents to convey their feelings on this subject. They can be discovered in the narrative summaries. But we can break out a few specific subthemes that show the symptoms observed on the ground.
- (i) Many respondents commented on what they perceived to be inconsistency of purpose or goal across the Corps' administrative layers. For example, if the local project contact was trying to be helpful and encouraging to a private development, the opposite would be true at some higher level. The result could be contradictory requirements and approval reversals and the general impression that the Corps could not speak with one voice on anything.
 - (ii) Respondents also felt that Corps personnel were prisoners of their regulations. This complaint could, in some cases, simply be a coded version of "they won't let me do what I want." But since regulations are always added to, never subtracted from -- and since the regulations have to try to serve many inherently inconsistent purposes, as has been noted above -- this general notion that such a barrier exists is entirely plausible. Significantly, however, none of the respondents had any better suggestions than vague calls for "flexibility."
 - (iii) Several respondents cited the delays created by elaborate approval processes, with chains reaching right up to the Office of the Chief of

Engineers. More than one respondent cited two years as the expected time for approval of a recreation development. This seemed excessive to those who mentioned it, but it is difficult without more study to conclude that this is absolutely out of line with, say, obtaining zoning approval for a shopping mall or apartment complex in any randomly chosen city.

In the following two chapters, the reader will find most of these themes repeated and reinforced. In Chapter 2, the participants in a conference of Corps of Engineers natural resource managers have a chance to define their position over a prespecified set of options for meeting the goals specified by the Assistant Secretary of the Army (Civil Works). The results will throw some interesting light on the above ideas about pricing, private development, local management autonomy, and central bureaucracy.

CHAPTER 2

THE NASHVILLE WORKSHOP

In February, 1990, at the biennial conference on natural resource management held in Nashville, Tennessee, one half-day was devoted to a facilitated workshop on recreation management options. The goals of the workshop were to:

- inform the Corps personnel present of the purpose of the study and of its potential long-run impact on Corps projects and thus on their jobs
- use the experience and expertise of the assembled managers to assess the options for recreation management generated to that point by the study team and its committees
- tap the imaginations of the managers to help develop additional options

Approximately 150 Corps personnel participated in the questionnaire portion of the workshop (see Appendix B for the full questionnaire used). It was expected that there might be some tensions at the workshop because the study might well be perceived as a threat to methods of operations and even to jobs. In addition, it was anticipated that incomplete and quite probably inaccurate information about the study was circulating in the field and division offices. In the event, to say that emotions were running high was an understatement.

An electronic mail message had been circulated widely only days before the conference that could be interpreted to say that the Corps of Engineers was getting out of the recreation business. Many participants perceived their jobs to be in direct jeopardy and their operations to be in for major change. In essence, as often heard before, during and after the first session, the perception was that this study was merely a cosmetic gesture carried out prior to doing what upper management wanted to do -- i.e., get out of the recreation business.

The overview of the Corps Recreation Study provided by the Executive Director of the Recreation Task Force, gave a complete overview and brought the audience more up-to-date on what had been done and what was expected of the study. Yet, in spite of this overview, the following question-and-answer session demonstrated the persistence of concerns about lack of information and the future role of the Corps of Engineers in recreation management. Numerous attendees raised questions and sought clarification. Some challenged the validity of even doing such a study. At that point, very little more could have been done short of having the Chief of Engineers provide similar information and repeat with authority that he intended a continuing role for the Corps of Engineers in recreation projects.

The lead facilitator from Planning and Management Consultants, Ltd., provided a brief overview of the small group breakout sessions which were to follow. The desire to tap the participants' experience and expertise concerning the "strawmen" was emphasized. Also, the random assignment process for small breakout groups based on order of registration was explained.

It was also noted that ratings provided by individuals would be reported anonymously to the study team. Attendees were instructed that providing their names was optional and that the only use of names would be to develop a list of contacts which might be asked for advice about those options for which they indicated having had extensive experience.

SMALL-GROUP BREAKOUT SESSION

The participants proceeded to their randomly assigned breakout groups. The process used for random groupings appeared to work quite well, with only minor exceptions. Slight variation in group size did not appear to affect the group process.

The highly charged, emotional environment spilled over to each of the small-group breakout sessions. During the debriefing session, all facilitators and recorders noted the hostility or highly charged signals which were apparent at the beginning of the sessions. Several of the more vocal participants appeared to challenge almost every facet of the enterprise, from the overall study, to the use of forms, to specifics on the forms. It would have been desirable to have had more groups, thus allowing for additional opportunity for interaction and reduction of emotions. In the circumstances, it was a challenge to provide adequate opportunities for people to offer insights and information.

The first major activity of the small breakout sessions was the completion of the rating forms. The process was explained in greater detail in each of the small groups. One area that seemed burdensome was the entry "Extensive experience with the following project(s) related to this set of options." People expressed confusion about what was meant and were also concerned with the lack of uniform level of experience among the participants.

Each breakout session began with a questionnaire that focused on a different group of options. These assignments were made as follows:

<u>Option Group</u>	<u>Breakout Group</u>
I. Ways to Increase Private and Nonfederal Involvement	A
II. Increase Revenues	B
III. Budget Augmentation	C
IV. Operation and Maintenance Efficiencies	D
V. Increased Recreation Opportunities	D

When a breakout group completed evaluation of an option group, it evaluated another option group. This process insured proper coverage of each option group.

Participants were asked to rate options on two dimensions¹: their anticipated effect on recreation opportunities at Corps projects and their anticipated effect on federal budget burden. Ratings on each dimension were to vary from 1 to 5, with 5 indicating the "good" end of each dimension (from the study's point of view) and 1 indicating the "bad" end. The range of rating possibilities is illustrated in Table 2-1.

Participants were also encouraged to write in comments, prefacing them with a "+" for an "opportunity" or a "-" for a "constraint." It might have been clearer to participants if there had been "x the choice" blanks with the choices provided from above. While this would have substantially increased the volume of paper, it would have simplified the process. Several comments were offered by participants about the clarity of some options (e.g., double phrases, the use of the word "all," etc.). It was suggested that before these or similar options went further, they be reviewed and clarified.

¹ Regrettably, one group (D) appeared to have some mixed instructions on the voting procedures. In order to maintain data quality, that group's Options (IV and V) were not compiled with the data found in other sections of this report.

TABLE 2-1

OPTION RATING

Recreation Supply Dimension

Rating Meaning

- 5 Increases recreation opportunity
- 3 Has no effect on recreation opportunity
- 1 Reduces recreation opportunity

Federal Budget Burden Dimension

Rating Meaning

- 5 Reduces federal burden
 - 3 Has no effect on federal burden
 - 1 Increases federal burden
-

After the rating forms were completed, people were asked to move into smaller "buzz groups" to discuss their options/ratings/comments and to prepare to report back to the others in the breakout area at the end of the iteration. A spokesperson either volunteered or was elected within each buzz group to report the group's general comments. While the posting of information was of interest to the group, it was to be noted to all groups that the main information was to be gathered via the rating forms and to reinforce the importance of writing down their comments on their forms. The buzz group technique appeared to work quite well. People had the opportunity to share insight with each other. They also heard many similar comments from other buzz groups on the same options.

RESULTS

Results of the breakout group option-rating exercise may be summarized and analyzed in a number of ways. In Table 2-2, we report the responses to every option in terms of the percentage of respondents who viewed that option either positively or negatively. Our definitions of positive and negative in terms of the two rating dimensions are as follows:

A response counts as positive if the ratings were 4 or 5 on federal burden reduction and 3, 4, or 5 on recreation opportunity enhancement.

A response counts as negative if the ratings were 1 or 2 for both federal burden and recreation opportunity enhancement.

Table 2-2 is arranged within each option group in descending order of percentage positive responses. The complete raw data on which this summary table and subsequent analysis are based were presented in the interim report² on the Nashville Workshop and are not repeated in this report.

² Planning and Management Consultants, Ltd., 1990. Interview Report Themes and Suggestions From Personal Interviews Carried Out As Part Of The National Recreation Study. Carbondale, IL.

TABLE 2-2

POSITIVE AND NEGATIVE RESPONSES TO THE MANAGEMENT OPTIONS

A. OPTION GROUP I: WAYS TO INCREASE PRIVATE AND NONFEDERAL INVOLVEMENT

OPTIONS:		RESPONSES	
		% Positive	% Negative
IW	Charge appropriate market value fees for outgrants	61.7	5.9
IM	Relax Corps 14-day camping restriction	45.0	12.5
IC	Economic promotion/marketing to encourage leasing	42.5	12.5
IK	Lengthen term of lease to allow long-term financing	39.4	7.9
IF	Ease cost-sharing restrictions	37.5	2.5
IU	Funded cost-share program	36.8	5.3
IL	Eliminate/reduce restrictions on lessees	36.1	5.6
IA	Reduce restrictions on private exclusive use	31.7	14.6
IZ	Make available shorelines to adjoining groups	31.5	23.6
IE	Liberal partnershiping and/or cost-sharing	30.7	12.8
IR	Foster regional organizations to promote area lakes	30.0	7.5
IO	Encourage college/university to run parks	30.0	22.5
IS	Liability insurance	29.7	13.5
IAB	Provide more authority to field to make deals	29.4	14.7
IJ	Provide leasing incentives	28.5	11.4
ID	Use Corps resources to develop promotion program	27.5	7.5
IQ	Allow several recreation areas in a single lease	27.5	10.0
IAA	Reduce restrictions on disposal of excess property	26.4	26.4
IX	Declare a free fire zone along shoreline	25.7	40.0
IP	Encourage "members only" recreation developments	25.0	32.5
IV	Rent-to-own	23.6	42.1
IN	Allow park operators to charge discriminatory fees	23.5	32.3
II	Seek legislative authority to acquire land	23.0	20.5
IB	Allow residential developments on Corps land	23.0	23.0
IT	Rental rebates	22.5	7.5
IG	Offer low-interest, long-term federal loans	22.5	15.0
IH	Lease lands for public recreation	20.0	10.0
IY	Reduce restrictions/requirements on lessees	20.0	20.0

B. OPTION GROUP II: WAYS TO INCREASE REVENUES

OPTIONS:		RESPONSES	
		% POSITIVE	% NEGATIVE
IIK	Return of revenue to Corps from concessions	72.5	2.5
IIAJ	Sale of surplus property revenues to project	66.6	3.3
IIIL	Charge equitable fee for processing permits, etc.	65.8	0.0
IIAG	Charge lease revenues and return to Corps	63.6	6.1
IIQ	Shoreline use permits	63.4	4.9
IIAM	Revenues from fees should go back to the project	62.0	0.0

TABLE 2-2 (Continued)

POSITIVE AND NEGATIVE RESPONSES TO THE MANAGEMENT OPTIONS

IIB	Charge a variable rate for camping sites	60.9	4.9
IIP	Golden Age and Golden Eagle Passports	60.9	4.9
IIAF	Turn powerhouses to others/receive part of profits	60.0	3.3
IIF	Develop special event areas and charges	57.5	5.0
IIR	Concession rents	56.0	4.9
IIG	Reduce restrictions to encourage concerts, etc.	51.2	4.9
IIE	Eliminate the free-camping requirement	48.7	7.3
IID3	Firewood	48.7	9.8
IID4	Expand number of commercial activities allowed	48.7	12.1
IIJ	Allow sale of items Corps could offer but has not	48.6	5.4
IIZ	Cabin rental	48.6	5.4
IIAA	Rent-a-Tent	47.5	7.5
IIAB	Expand facilities	47.3	0.0
IIC	Expand authority to include charging day use fees	46.3	7.3
IIV	Lottery tickets	46.3	19.5
IIJ3	Sale of merchandise (T-shirts, brochures, etc.)	45.0	7.5
IIJ1	Loosen restrictions on sale of ice, beer, colas, etc.	43.9	17.0
IIS	Sell advertising	42.8	7.1
IIW	White water releases	42.5	7.5
IIAN	Issue a Federal Recreation Sticker on all vehicles	41.3	17.2
IIAD	Oil and gas lease revenues	40.5	8.1
IIU	Gambling	40.4	33.3
IIA	Implement nationwide reservation system	36.5	4.9
IIT	SRUF funds	35.0	7.5
IIAI	Liberalize cost-share provisions	34.3	9.4
IIM	Promote recreation areas nationally/internationally	33.3	9.5
IIAH	Parking permits for boat launch areas	32.3	20.5
IIAC	Surcharge on peak weekends	30.7	10.2
IIAL	Develop/standardize maintenance requirements	29.6	3.7
IIO	Establish Corps membership campgrounds nationwide	29.2	7.3
IIY	1-900-Number	28.2	7.7
IIJ4	Sell recyclable materials from public use	27.5	7.5
III	Charge rent for use of Corps facilities	27.5	10.0
IIN	Charge for recreational boats going through locks	27.5	15.0
IIAK	Charge aircraft for use of public lands	26.6	16.6
IIAO	Charge for fishing guides/tour license on lakes	25.9	18.5
IIAP	Solicit funds from other federal agencies	25.9	22.2
IIJ2	Sell visitor survey information, zip codes, etc.	20.0	32.5
IIH	Have the Corps purchase recreation equipment	17.5	20.0
IID1	Access for hunting, fishing, or trapping	17.0	29.2
IIX	Itinerary-planning service to campers for a fee	15.3	7.7
IID2	Boat licenses	14.6	26.8
IIAE	Admission fees to visitor centers	14.2	31.4
IID5	Charge for certain ranger activities	10.0	30.0

TABLE 2-2 (Continued)

POSITIVE AND NEGATIVE RESPONSES TO THE MANAGEMENT OPTIONS

C. OPTION GROUP III: GENERATING NONAPPROPRIATED FUNDS TO USE IN MANAGING RECREATION

OPTIONS:

RESPONSES
% POSITIVE % NEGATIVE

IIIF	Organic Act	79.1	4.2
IIIH	Fees from other project purposes	62.5	16.6
IIIB	Encourage sponsorships to promote financing	54.1	4.2
IIIG	Excise taxes	54.1	8.3
IIIE	Establish Corps recreation trust fund	50.0	4.2
IIIC	Develop challenge grants program	41.6	12.5
IIIA	Develop program to solicit voluntary donations	37.5	16.6
IIIK	CETA Program	37.5	16.6
IIIL	Encourage the increased use of volunteers	35.2	11.7
IIIJ	Prisoners and juvenile offenders	34.7	30.4
IIIN	Increased leasing with Corps getting 100% of funds	28.5	14.2
IIIP	Change the O&M budget and operating statements	27.2	18.1
IIIO	Vending machines in recreation areas	23.0	53.8
IIII	Armed services involvement	13.6	45.4
IIID	Conduct land sales w/receipts to recreation O&M	13.6	59.0
IIIM	Provide campgrounds for homeless for O&M services	0.0	75.0

D. OPTION GROUP IV: WAYS TO INCREASE OPERATION AND MAINTENANCE EFFICIENCY

OPTIONS:

RESPONSES
% POSITIVE %NEGATIVE

IVE	Adopt a "one-stop outgrant service"	63.1	5.3
IVH	Encourage consolidation/renovation of facilities	62.8	2.9
IVB	Allow on-site manager to determine use of his money	57.1	11.4
IVM	Minor concessions	56.7	2.7
IVU	Check efficiency of other Corps elements	56.6	6.7
IVP	Signage	51.4	5.7
IVO	Cost-sharing agreements	51.3	2.7
IVI	Encourage use of volunteers and remove restrictions	50.0	16.6
IVF	Reduce the frequency of in-house inspections	45.9	10.8
IVG	Monitor facility use level	43.2	0.0
IVS	Division management	42.8	5.7
IVC	Swap out recreation areas with other agencies	38.2	32.3
IVJ	Institute adopt-a-park programs	33.3	22.2
IVR	Self-collection of camping fees	33.3	30.3
IVD	Reorganize for more efficient operation	32.3	20.5
IVQ	Retirement payment	29.4	11.7
IVA	Initiate peer review proces	29.4	14.7

TABLE 2-2 (Continued)

POSITIVE AND NEGATIVE RESPONSES TO THE MANAGEMENT OPTIONS			
IVK	Encourage professionalizing	28.5	14.2
IVT	Satellite work centers on very large projects	22.5	32.2
IVL	Visitor centers	22.2	13.8
IVV	COE management of military recreation	20.6	27.5
IVN	Commercial activities program	14.7	38.2

E. OPTION GROUP V: WAYS TO INCREASE RECREATION OPPORTUNITIES

OPTIONS:		RESPONSES	
		% POSITIVE	% NEGATIVE
VC	As warranted, reopen/renovate closed areas	40.0	2.9
VB	Allow more local community-type recreation	33.3	5.6
VG	Corps-sponsored event	31.4	5.7
VE	Cooperate with the local business community	28.5	5.7
VA	Provide test sites for experimental recreation	26.4	8.8
VF	Emphasize research support programs	26.4	17.6
VH	American Youth Hostels	26.4	32.3
VD	Assist in promotion of regional economic development	14.2	8.6
VJ	Emphasize opportunities of cooperation	13.6	22.7
VI	Set up package deals for schools for off-season use	12.5	8.3

Comments on Table 2-2

The general view of Group I management options was not highly positive: feelings were more "middle-of-the-road." As seen in Table 2-2, the most popular option by far (61.7% positive and 5.9% negative) was to move towards market prices for outgrants. This was the only option that had 50% or more in the positive ranking area. Relaxation of the fourteen-day camping restriction was the next most popular option with 45.0% positive and 12.5% negative. The third and fourth highest-ranked options dealt directly with lessees by promoting ventures through economic incentives and allowing longer leases.

The least popular option was to reduce the regulatory restrictions and reporting requirement by lessees (20% positive and 20% negative). The most negatively perceived option, on the other hand, was the rent-to-own option for small business interests (42% negative responses).

The Group II options, dealing with ways to increase revenues, were generally well received. Twelve of the fifty options discussed had positive rankings above 50%. Another sixteen options had rankings above 40%. The most popular option was to return revenue from lessees to the Corps (72.5% positive and 2.5% negative). The second highest-ranked option was to return revenues generated by surplus land sales to the project. This highly ranked option, along with fifteen others, was added to the original set of options during an open discussion of the participants. Charging a realistic fee for permits and leases was the next highest option. No one ranked this option in our negative region.

Collecting fees for ranger activities or services was the lowest-ranked option (10% positive and 30% negative), and collecting fees at visitor centers was ranked second lowest (14.2% positive and 31.4% negative). Gambling and sale of visitor information had the highest negative percentages (32.5 and 33.5 percent, respectively).

Nearly one-third of the Group III options, involving generation of nonappropriated funds for use in recreation management, had positive percentages of 50% or more. The highest-ranked option, "Obtain eligibility for Land and Water Conservation Funds", received very high support (79.1% positive and 4.2% negative). Allocating revenue from other project purposes, e.g., hydropower, was the second highest-ranked option (62.5% positive and 16.6% negative). A sponsorship program for corporate sponsors was also a well-received option, as was the option to collect excise taxes on recreation vehicles.

Campgrounds for the homeless in exchange for operation and maintenance labor was rejected strongly. In fact, it received the highest level of rejection of any option in any group (0.0% positive and 75.0% negative). The next to lowest ranked option was to sell land with receipts going toward recreation.

There was a generally positive feeling toward the Group IV options which involved ways of increasing the efficiency of recreation management. In fact, the group had the highest percentage of options above 50% positive of any of the groups (36%). The most popular option was to give the local Corps manager authority to provide "one-stop outgrant service" to interested parties (63.1 positive and 5.3% negative). The next ranking option was to consolidate and renovate facilities to enhance O & M efficiency; this received about as much approval as the highest-ranked option, with slightly less opposition (62.8% positive and 2.9% negative). Allowing the on-site manager full authority to determine where money at his/her site goes was the third highest-ranked option (57.1% positive and 11.4% negative).

Determining the feasibility of using outside contractors for various operation and maintenance activities was the least popular option (14.7% positive and 38.2% negative). An option presented during discussion at the workshop, Corps' management of military recreation and Natural Resources, was not well received (20.6% positive and 27.5% negative). These lower-

end options were, however, not as negatively perceived as were the low-end options in other group rankings.

Overall, the options in Group V, involving ways to increase recreation opportunities, were not very popular. Not one of the ten options presented received positive responses from 50% of the participants. Reopening closed areas was the most popular option (40.0% positive and 2.9% negative). The next highest option, which was to allow construction of more tennis court and swimming pool-type recreation facilities, was only marginally accepted, as compared to the second highest options of the other groups (33.3% positive and 5.6% negative).

Emphasis on cooperative opportunities with other associations was the lowest-ranked option. Converting Corps facilities to youth hostels received the highest percentage of negative response (32.3%) but also received "some" positive response (26.4%). This suggests an interesting split.

Summarizing the Results

This exhaustive listing of options and the positive and negative responses to them is interesting but a bit overwhelming. It is also difficult to know just what to make of the results in the broader context of the study. For example, they may help to eliminate from further consideration some options that are so negatively viewed within the Corps as probably not to be worth the implementation struggle. But a hefty positive score is hardly a sufficient condition for pushing an option forward, since the public is at least as much concerned with the outcomes here as are Corps managers.

Two kinds of simple statistical manipulation can help us search for patterns in this mass of data, patterns that should be useful to the leadership of the Corps in anticipating problems with the options ultimately pushed and in designing appropriate implementation systems. The first thing we can do is to aggregate the individual options into broader option types -- e.g., all options having to do with introducing or increasing fees; or all options dealing with budget augmentation. This can help us see whether or not certain classes of potential actions are viewed more positively than others. (The option groups, I...V, as used in the workshop are only roughly indicative of option types in the sense meant here. This will be seen more clearly below when the aggregation rules are set out.)

The second statistical operation we can try aims at determining whether any of the identified and "measured" characteristics of the respondents is systematically related to their responses. This information can help the Recreation Task Force interpret and use the results. This will be accomplished below through the estimation of a simple linear regression model.

Aggregating Options

To begin with, we defined eight aggregated response variables:

FEE aggregates options that involve new, increased, or "more realistic" fees for products or services. Includes responses to the following questions:

IA, IN, IP

IIB, IIC, IID1, IID2, IID3, IID4, IID5, III, IIJ1, IIJ2, IIJ3, IIJ4, IIL, IIN, IIO, IIP, IIQ, IIR, IIS, IIW, IIX

INNOV aggregates options that involve special events or new departures such as using CETA (sic) youth. [(sic) because CETA doesn't exist anymore and its replacement, JTPA, does not fund public-sector jobs.] Includes responses to the following questions:

ID, IO
IIA, IIF, IIG, IIU, IIV,
IIIA, IIIB, IIIC, IIJ, IIK,
IVI, IVJ,
VA, VB, VF, VG, VH

BRUL aggregates options that involve changing Corps budget rules to favor recreation. Includes responses to the following questions:

IIK, IIT,
IIIH

BAUG aggregates options that involve augmenting the Corps budget to help the recreation activity. Includes responses to the following questions:

IG, IH,
IIH,
IIIE, IIIF, IIIG

EASE aggregates options that involve easing one or another rule or set of rules to attract private or state/federal partners. Includes responses to the following questions:

IB, IE, IF, II, IJ, IK, IL, IM, IQ, IS, IT, IU, IV,
IIE

PROM aggregates options that involve making new or enhanced promotional efforts for Corps recreation sites. Includes responses to the following questions:

IC, IR,
IIM, IIY,
IVG

LAUT aggregates options that involve giving increased autonomy to lower-management levels, with the aim of increasing efficiency of operations. Includes responses to the following questions:

IVE, IVE, IVO, IVP, IVS

EFFY aggregates options that involve minor efficiency-related actions. Includes responses to the following questions:

IVC, IVF, IVH, IVL, IVM, IVR

Notice the following about these definitions:

- There is not a one-to-one correspondence between the groups (I...IV) and the aggregated variables, even though the group questionnaires were designed to concentrate on particular themes. This is important because it implies that we observe a larger fraction of workshop attenders rating the individual options within our option types than we would have, if we had aggregated over each questionnaire.
- Some questions are not included in any aggregated variables:
 - IVA, IVD, IVK, IVQ, VC do not seem to fit any broader concept.
 - IVN, VD, VE involve stressing local economic development, but even aggregated there are not enough observations.

- IIID, IIII involve selling assets, but again, even after aggregating there are not enough observations.

In order to get an overview of the appraisal of the broad option types represented by the aggregated variables just defined, we can look at the means of all the ranking scores assigned by all the respondents to all the included questions. These results are included in Table 2-3.

Perhaps the surprising thing about these results is how similar the rankings are, at least upon casual inspection. That is, on average the workshop participants viewed all the option types in a neutral-to-slightly-positive light. But of course the averages conceal very great differences between individual participants. For every one of these option types, the range of scores given by individuals to individual questions ranged from 0 to 5 on the recreation and funding dimensions and from 0 to 10 for the sum of those dimensions. This variation in answers is captured, at least in summary form, in the standard deviations that are also reported in Table 2-3. Using these measures -- means and standard deviations -- it is possible to test for the significance of the apparently fairly small differences in scores of the option types.²

The result of these tests is to show us that there are effectively two groups of option types:

Those viewed
more positively

BRUL
PROM
LAUT

Those viewed
less positively

FEE
EASE
EFFY
INNOV

The BAUG option type is not viewed significantly differently from most of the members of either group (if the significance level of the t-test is set at 5 percent).

Therefore, it seems that Corps managers who deal with natural resources and real estate (the principal types represented at the Nashville Workshop) are more enthusiastic about options that:

- change Corps budget rules to favor recreation
- promote recreation at Corps sites
- allow lower level Corps managers more authority to make recreation decisions

than they are about options that:

² The test for significance of two means from samples of different size and exhibiting different standard deviations is as follows:

$$t = (\bar{x}_1 - \bar{x}_2) / \sigma_u \text{ is distributed as Student's } t$$

where \bar{x}_i = mean of the i^{th} sample;

$$\sigma_u^2 = [\sigma_x^2 [(1/n_1) + (1/n_2)]];$$

$$\sigma_x^2 = (n_1 s_1^2 + n_2 s_2^2) / (n_1 + n_2 - 2)$$

n_i = sample size of i^{th} sample;

and s_i^2 = variance of i^{th} sample.

TABLE 2-3

**MEAN SCORES OF OPTION TYPES
(AGGREGATED VARIABLES) OVER ALL RESPONSES TO
INCLUDED QUESTIONS^a**

Option Type	Total Observation ^b	Recreation Score	Funding Score	Total Score
FEE	912	2.94 (1.17)	3.28 (1.22)	6.22 (1.97)
INNOV	680	3.29 (1.24)	3.04 (1.28)	6.33 (2.74)
BRUL	96	3.46 (1.16)	3.56 (1.29)	7.02 (2.12)
BAUG	178	3.58 (1.30)	2.94 (1.41)	6.52 (2.26)
EASE	496	3.17 (1.43)	2.92 (1.40)	6.09 (2.50)
PROM	185	3.60 (1.11)	3.03 (1.19)	6.63 (2.03)
LAUT	165	3.44 (1.34)	3.56 (1.34)	7.00 (2.46)
EFFY	198	2.96 (1.31)	3.27 (1.35)	6.23 (2.43)

^a Figures in parentheses are standard deviations of calculated means.

^b Total observations equals number questions aggregated times number of individuals answering each question.

- involve charging fees for previously free activities or increasing already existing fees
- relaxing the rules that govern relations with private or nonfederal public developers and managers
- strive for increased efficiency in recreation management

Such a result is hardly surprising, for the second set of options involves either going against the strong public-interest ethical strain within the Corps (see Chapter 1 for more on this) or making life more complicated and fraught with tensions with users. The first options aim at bringing in new resources from elsewhere in the Corps; increasing use and thus, quite probably, the political power of the managers; and letting local managers manage more independently. Whether these favorably viewed options could actually deliver on the goal set out by the Assistant Secretary of the Army (Civil Works) is quite another matter, it need hardly be said.

Relating Preference Patterns to Respondent Characteristics

The second question we can address to the Nashville Workshop data is whether there is any systematic relationship between the characteristics of a respondent and that respondent's rankings of the options. Unfortunately, we do not know a great deal about any of the respondents -- only the level at which each works with the Corps; the functional area (e.g., Natural Resources) within which each works; and the amount of experience (high, medium, low, or none) that each person has had with each individual option.

None of these data about respondent characteristics involve numbers, either continuous or integer, in any natural way. We are therefore constrained to create 0/1, or dummy, variables to capture membership in a particular set defined by the three known characteristics always in relation to a particular question because of the experience variables definition. To avoid perfect multi-collinearity in our regression analysis, we define in each case one less variable than the number of available classifications. The omitted classifications define a base group.

Because of the very small numbers of people indicating they worked either at the Chief of Engineers level or in the Planning functional area we eliminated those classifications and individuals. (The "other" level was also eliminated.) The remaining characteristics give use to the following dummy variables:

EXPERIENCE DUMMIES

EXH = 1 if H(igh) experience indicated
 = 0 if otherwise
 EXM = 1 if M(edium) experience indicated
 = 0 if otherwise

Low/0 experience is base group

SERVICE-LEVEL DUMMIES

LDIV = 1 if level circled is DIVISION
 = 0 otherwise
 LDIS = 1 if level circled is DISTRICT
 = 0 otherwise

PROJECT level is base group

DEPARTMENT/FUNCTIONAL AREA DUMMIES

ANR = 1 if NATURAL RESOURCES is circled
 = 0 otherwise

ARE = 1 if REAL ESTATE is circled
 = 0 otherwise

"OTHER" is base group (only 4 people indicated PLANNING so it was eliminated as functional area)

The regressions run to search for relationships among characteristics and option rankings were structured as follows:

$$\begin{aligned} \text{FEE} &= \alpha^F + \beta^F_1 \text{EXH} + \beta^F_2 \text{EXM} + \beta^F_3 \text{LDIV} + \beta^F_4 \text{LDIS} + \beta^F_5 \text{ANR} + \beta^F_6 \text{ARE} (+ \text{error term}) \\ \text{INNOV} &= \alpha^I + \beta^I_1 \text{EXH} + \beta^I_2 \text{EXM} + \beta^I_3 \text{LDIV} + \beta^I_4 \text{LDIS} + \beta^I_5 \text{ANR} + \beta^I_6 \text{ARE} (+ \text{error term}) \\ \text{BRUL} &= \alpha^R + \beta^R_1 \text{EXH} + \beta^R_2 \text{EXM} + \beta^R_3 \text{LDIV} + \beta^R_4 \text{LDIS} + \beta^R_5 \text{ANR} + \beta^R_6 \text{ARE} (+ \text{error term}) \\ \text{BAUG} &= \alpha^U + \beta^U_1 \text{EXH} + \beta^U_2 \text{EXM} + \beta^U_3 \text{LDIV} + \beta^U_4 \text{LDIS} + \beta^U_5 \text{ANR} + \beta^U_6 \text{ARE} (+ \text{error term}) \\ \text{EASE} &= \alpha^E + \beta^E_1 \text{EXH} + \beta^E_2 \text{EXM} + \beta^E_3 \text{LDIV} + \beta^E_4 \text{LDIS} + \beta^E_5 \text{ANR} + \beta^E_6 \text{ARE} (+ \text{error term}) \\ \text{PROM} &= \alpha^P + \beta^P_1 \text{EXH} + \beta^P_2 \text{EXM} + \beta^P_3 \text{LDIV} + \beta^P_4 \text{LDIS} + \beta^P_5 \text{ANR} + \beta^P_6 \text{ARE} (+ \text{error term}) \\ \text{LAUT} &= \alpha^L + \beta^L_1 \text{EXH} + \beta^L_2 \text{EXM} + \beta^L_3 \text{LDIV} + \beta^L_4 \text{LDIS} + \beta^L_5 \text{ANR} + \beta^L_6 \text{ARE} (+ \text{error term}) \\ \text{EFFY} &= \alpha^Y + \beta^Y_1 \text{EXH} + \beta^Y_2 \text{EXM} + \beta^Y_3 \text{LDIV} + \beta^Y_4 \text{LDIS} + \beta^Y_5 \text{ANR} + \beta^Y_6 \text{ARE} (+ \text{error term}) \end{aligned}$$

Here the superscripts on the coefficients indicate which dependent variable is involved. These are very simple linear regressions, but since we have no theory to guide (or restrain) us in the choice of functional form, and since these results may be at best of modest internal usefulness, this seems sufficient. In each option-type regression, the constant term may be interpreted as the average ranking given the individual options by members of the base group (those with low or no experience, working at the project level, and in some other functional area than Natural Resources, Real Estate, or Planning). The Beta coefficients indicate how many rating points are added or subtracted on average from the base group ranking when respondents have other levels of experience, or serve at other management levels and in other functional areas.

The results of this exercise, involving only the sum variables for the option types (i.e., the total for each individual ranking of the recreation and funding score), are presented in Table 2-4.

The first observation about these results has to be that for the most part the relationships are weak. Only three of eight regressions produce F statistics significant at the 5 percent level or better. Two of the regressions have no coefficients significantly different from zero except the intercept. Two have only one significant coefficient in addition to the intercept (in both cases it is that relating to a high level of experience with the options in question). But such significant results as do appear are of some interest.

First, as a sort of reality check, we note that giving more autonomy to local managers is favored most by those managers who form the base group (i.e., they profess to see these options as helping to meet both goals of the overall study -- enhanced recreation and reduced federal funding needs.) But those at higher levels of the Corps and those in the Real Estate functional area see this option type significantly less favorably. Within an hierarchical organization with some interfunctional area tensions this is what we would expect.

Second, both the FEE and BAUG regressions have four significant coefficients in addition to the intercept. It is not clear what we ought to make of the BAUG result, since these options

may be politically and even bureaucratically unrealistic. But at least we see that these options get higher ratings from individuals higher in the structure and with more budget experience.

The single most interesting result in the table seems to be that for the FEE option type. New or increased fees may not be popular at the level of the project and among those with little experience with them, but those with more experience (with charging fees) located up the chain of command see these options much more favorably. For example, the change in averaged summed rankings as one moves up from project to divisional level and obtains more experience is:

Base Group	District Level	Division Level
<u>Rank</u>	<u>Medium Experience</u>	<u>High Experience</u>
5.15	6.05	6.53

Since the charging of user fees appears to be one of the revenue-raising alternatives the present administration is most willing to contemplate, this may well be a place to look for real solutions to the tough problem set for this overall study.

TABLE 2-4

REGRESSION RESULTS RELATING SLIPPED RANKINGS OF OPTION TYPES TO RESPONDENT CHARACTERISTICS

	FEE	INNOV	BRUL	BAUG	EASE	PROM	LAUT	EFFY
	Coefficients (t statistic)							
α^K intercept	5.15* (24.76)	5.55* (14.31)	6.54* (8.47)	4.69* (7.47)	5.66* (12.66)	6.11* (11.04)	7.69* (11.63)	5.25* (8.17)
β_1^K (EXH)	1.02* (4.08)	0.19 (0.47)	0.51 (0.70)	1.14* (2.01)	1.43* (4.62)	1.18* (2.35)	1.28* (2.33)	1.05* (2.13)
β_2^K (EXM)	0.53* (3.10)	0.04 (0.16)	-0.19 (-0.32)	1.31* (3.04)	0.32 (1.24)	0.59 (1.64)	0.70 (1.60)	1.23* (2.93)
β_3^K (LOW)	0.36 (1.75)	0.03 (0.10)	0.17 (.26)	1.33* (2.70)	-0.35 (-0.97)	0.20 (0.42)	-1.29* (-2.26)	0.57 (1.04)
β_4^K (IDIS)	0.37* (2.27)	0.18 (0.73)	0.68 (1.28)	1.07* (2.77)	0.10 (0.40)	0.17 (0.49)	-0.88* (-2.03)	0.14 (0.33)
β_5^K (AMR)	0.52* (2.59)	0.22 (0.65)	0.08 (0.12)	0.79 (1.39)	0.13 (0.33)	0.08 (0.17)	-0.33 (-0.63)	0.38 (0.75)
β_6^K (ARE)	0.80* (3.15)	-0.15 (-0.33)	0.23 (0.26)	0.67 (0.98)	-0.02 (-0.04)	0.59 (0.98)	-3.50* (-4.09)	-0.86 (-1.03)
R^2	0.049	0.063	0.034	0.108	0.046	0.042	0.23	0.09
F statistic deg freedom	8.03* (6;929)	0.36 (6;673)	0.53 (6;89)	3.17 (6;171)	3.96* (6;489)	1.31 (6;178)	8.00* (6;158)	3.07 (6;191)

* Indicates coefficient is significant at 5 percent level or better

CHAPTER 3

THE REGIONAL PUBLIC WORKSHOPS

The third element of the work performed under this contract was a series of six regional workshops at which members of the public were invited to give their views on options for meeting the Corps Recreation Study goals. Each workshop took the form of a one-day event, with supplementary evening session. Each workshop opened with an introduction to the study. Then during the morning session at each workshop, the participants were divided into two or more groups and engaged in open-ended discussion of ways to meet the study goals. During the afternoon session, the same groups reconvened and worked through a questionnaire containing fifty-four options identified in previous research and any new ideas developed at the morning sessions. The participants were asked to rate each option on a definitely should to definitely should not scale. The final part of each workshop day was a wrap-up and summary conducted by Corps study leaders. Evening supplementary sessions were conducted for those unable to get away during the day. In this chapter we summarize the relevant data about the workshops -- participation, tone and special suggestions, and rating results. We also analyze the results for patterns not obvious in the raw data.

LOCATIONS, DATES, PARTICIPATION

The workshops were held during March and April 1990, at six widely scattered locations around the forty-eight continental United States. Locations, dates, and total participation are summarized in Figure 3-1.

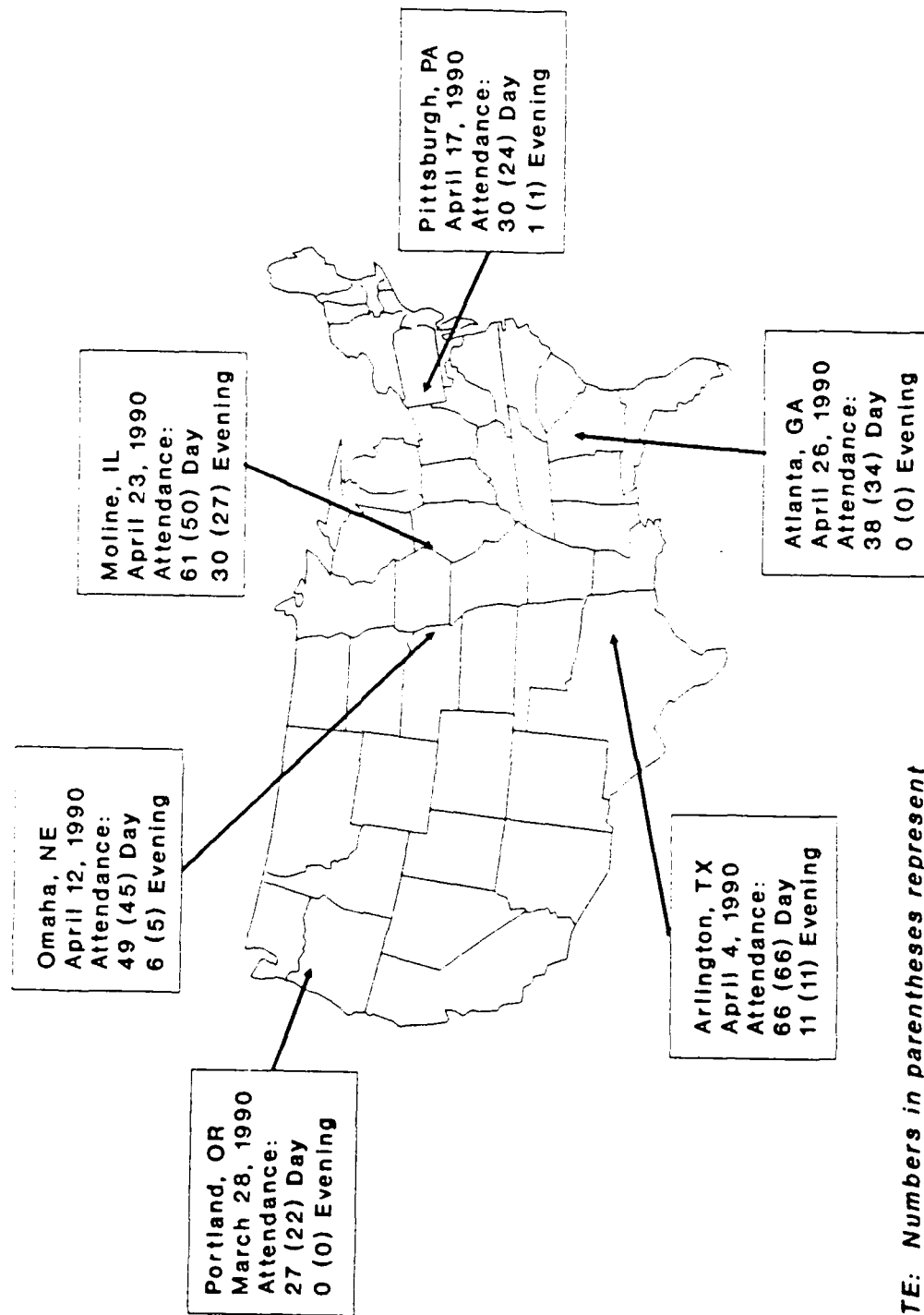
A total of 318 individuals took the opportunity to express their views on the goals of the Corps Recreation Study, 271 of whom participated in the day sessions and 47 at the supplemental evening sessions. Of this total, 286 participants completed and returned the "Suggestions Evaluation Packet" (Appendix C contains a copy of the packet), 241 during the day and 45 during the evening.

When completing the evaluation, 37 individuals checked multiple affiliations (although they were directed to check only one. Thus, a respondent might have indicated that he both worked for a state agency and was a user of Corps recreation facilities. These individuals are counted as many times as the number of affiliations they checked in the following summary of participation by affiliation category. Because there is no way to know which affiliation most influenced their responses, and because there is no reason to think that their views should be two, three, or four times as important as someone with a single affiliation, they have been eliminated from our subsequent analyses of responses.

With this caveat in mind, we can turn to Table 3-1, in which we report the numbers of participants in each category of affiliation and the percentage of total participation represented by each participant category. Workshop composition varied widely. For example, the Portland Workshop was dominated (numerically, at least) by representatives of government at all levels. The Arlington session was more equally balanced, as was the Atlanta Workshop. Pittsburgh and Moline, on the other hand, produced heavy concentration of users and conservationists. Overall, about 30% of participants were users or conservationists, about 30% from government, about 15% from project level business, a little more than 10% from national recreation business or from the more general business category, and a little more than 10% from academic and other affiliations.

FIGURE 3-1

REGIONAL PUBLIC WORKSHOPS BY LOCATION AND DATE



NOTE: Numbers in parentheses represent attendees turning in evaluation packets.

TABLE 3-1

AFFILIATIONS OF WORKSHOP PARTICIPANTS

Affiliation Categories	<u>Portland</u>		<u>Arlington</u>		<u>Omaha</u>		<u>Pittsburgh</u>		<u>Moline</u>		<u>Atlanta</u>		<u>Totals</u>	
	No.	% ^a												
User/user group	1	(4.5)	21	(21.9)	8	(14.0)	7	(26.9)	34	(36.6)	7	(18.4)	78	(23.5)
Conservation group	0	(0.0)	5	(5.2)	3	(5.3)	4	(15.4)	10	(10.8)	1	(2.6)	23	(6.9)
Corps concessionaire	2	(9.1)	17	(17.7)	4	(7.0)	3	(11.5)	7	(7.5)	5	(13.2)	38	(11.4)
Resort developer	0	(0.0)	4	(4.2)	2	(3.5)	1	(3.8)	4	(4.3)	2	(5.3)	13	(3.9)
Recreation business	0	(0.0)	8	(8.3)	1	(1.8)	1	(3.8)	4	(4.3)	4	(10.5)	18	(5.4)
Chamber of Commerce/ Tourism Assoc.	2	(9.1)	9	(9.4)	5	(8.8)	1	(3.8)	4	(4.3)	0	(0.0)	21	(6.3)
City/county/regional government	7	(31.8)	4	(4.2)	10	(17.5)	2	(7.7)	8	(8.6)	1	(2.6)	32	(9.6)
State government	6	(27.3)	13	(13.5)	16	(28.1)	3	(11.5)	4	(4.3)	6	(15.8)	48	(14.5)
Federal government	2	(9.1)	9	(9.4)	4	(7.0)	0	(0.0)	8	(8.6)	1	(2.6)	24	(7.2)
Academic	1	(4.5)	0	(0.0)	0	(0.0)	2	(7.7)	2	(2.2)	5	(13.2)	10	(3.0)
Other	1	(4.5)	6	(6.3)	4	(7.0)	2	(7.7)	8	(8.6)	6	(15.8)	27	(8.1)
Totals	22	(100.0)	96	(100.0)	57	(100.0)	26	(100.0)	93	(100.0)	38	(100.0)	332	(100.0)

^a Percents may not add up to 100.0 because of rounding.

PROCESS

Each workshop was organized into three distinct working sessions, one in the morning, one in the afternoon, and a night session. After brief introductions as a large group, participants were divided into small breakout groups. No Corps personnel were in attendance during the small-group activities except for a silent recorder who took anonymous notes. This practice was to ensure frank and candid discussions by participants.

Each morning session was an open-ended brainstorming activity, with participants encouraged to offer any suggestions they could think of relating to the study goal. Ideas and suggestions were not confined by laws and regulations. (It may be an outcome of the study that some laws and regulations need to be changed.) After participants had an ample opportunity to offer their suggestions, each person was asked to vote for his or her top three choices from all those offered.

The suggestions from each group were categorized under the four headings of "Resource Augmentation," "Increase Revenue," "Increase Nonfederal Involvement," and "Increase Private Involvement." These categories were developed from the previous data collection efforts described in Chapters 1 and 2. High priority suggestions developed in the morning session which did not reiterate those of the evaluation packet were inserted by the facilitators prior to the afternoon breakout group session. These suggestions were representative of the regional perspective of the workshop and were not added to the packets for subsequent workshops.

The afternoon session was organized around the "Suggestions Evaluation Packet" (Appendix C). The suggestions to be evaluated fell into the previously mentioned four categories. Each small group started with a different category in the packet and discussed the pros and cons of each item before rating it individually. Participants were encouraged to give their written opinion on any suggestion under evaluation. These comments as well as general statements from attendees are included in the working paper series (one through six) discussing the Regional Public Workshops.¹ Participants helped summarize the major messages they wanted to convey and a summary report was given by the facilitators in each group to the reconvened large group.

An evening session was included in the workshop schedule to accommodate interested constituents who were unable to attend the morning or afternoon sessions. The evening participants were allowed to complete a Suggestions Evaluation Packet that included suggestions developed by participants of the morning breakout sessions.

GENERAL MESSAGES FROM THE WORKSHOPS

As anticipated, each workshop had its own flavor in part attributable to the particular mix of interests and personalities and in part to special regional interests and problems. In the following sections, we try to summarize the workshop flavors as a prelude to the more strictly quantitative analysis of responses that follows. (Individual participant comments from each workshop as well as summaries prepared by the different breakout groups are included in the Appendices of the Working Paper Series mentioned above.²) Recurring themes are summarized in Table 3-2.

¹ Planning and Management Consultants, Ltd., 1990. Findings of the Corps of Engineers Recreation Study Activities. Working Papers 1-6. Carbondale, IL.

² Ibid.

TABLE 3-2

RECURRING THEMES

APPROPRIATENESS OF STUDY OBJECTIVES

PRIORITY OF RECREATION

- Articulate Recreation Mission/Policy
- Funding - National Level
- Encouraging Local/Private Involvement

REGIONAL CONSIDERATIONS

- Single National Policy/Manual Inappropriate
- Regional Planning Marketing Cooperation
- More Public Relations - Education - Information

BUREAUCRACY

- Reduce Complexity - Time of Review
- Inconsistent Direction
- More Local Authority

RETAIN REVENUES AT PROJECT

- Users Should Pay
- Reduces Unfair Competition with Privates
- Charge Market Values for Lake Shore Permits

ENVIRONMENTAL

- Corps Must Protect Natural Resource Base
- Don't Sell Public Lands

PRIVATE EXCLUSIVE USE

- No - But Private Development for Public Use - OK
-

Portland

The general consensus of the Portland Workshop was that the Corps should look seriously at placing more authority at local/regional levels if it is to stay in recreation. Creativity and flexibility in management will be required. The by-product of this shift in responsibility will be less red tape, which will enhance efficient operation. A regional scope will also account for variable supply-and-demand conditions for recreational services which are very evident across the country.

The following are general summary statements that came out of the Portland Workshop.

- The Corps should be more flexible and creative. There should be more local District authority and autonomy. The Corps should look to others as partners and for input.
- The Corps should reduce bureaucracy and red tape.
- The Corps should analyze recreation needs on a regional basis and cooperate regionally.
- Is the Corps really committed to recreation? It should either get in or let another agency do it.
- The Recreation Study Goal should place emphasis on enhancing recreation opportunities that promote economic and social development efficiency (rather than on reducing expenditures).
- The Corps needs a new division detached from military. A local civilian (with a recreation background) could operate responsibly and efficiently under Corps direction. (Comment: A concern with the military was the lack of continuity, with the District Engineer leaving every three years.)
- Relative to the Recreation Study process, public (participants) should have an opportunity to review the report before submittal (even if there is a short ten-day turn around).

Arlington

The participants in the Arlington Workshop also felt it was extremely important for the Corps of Engineers to recognize regional differences in recreational needs. The participants also felt strongly that the Corps should be conscious of the environmental impacts of the recreational developments under Corps jurisdiction, although many participants recognized the legal mandate already in existence in this regard under the National Environmental Policy Act (NEPA). The protection of surface-water and groundwater quality was the most prominent such consideration in the opinion of workshop attendees. The group formed a consensus that the Corps needs to develop a specific recreation policy; either commit to servicing recreational needs of the nation or else get out of the business entirely.

The summary suggestions developed by the Arlington Workshop participants included the following:

- The Corps must develop a clear policy with regard to recreation.

- The environmental quality of Corps recreation areas must be an integral part of Corps operations policy.
- Utilize environmental education to increase awareness of recreation facility users.
- Overall, the groups agreed that the Corps must recognize the differences in regional needs of Corps recreation facilities. The Corps should allow funds generated locally to support local operations.

Omaha

The Omaha Workshop developed a wide variety of themes for consideration by the Corps. A majority of participants felt strongly that the Corps must take into consideration regional needs in recreational planning. They also discussed the potential need for increased revenues to improve recreation development. Strong agreement was also centered on the idea of reducing "red tape" in building regional recreational development with the Corps. The participants felt the Corps should invest more money in the recreation business.

The Omaha Workshop suggestions can be summarized as follows:

- The Corps should stay in the recreation business, obtain more money for it, expand the recreation program, and make it easier for the Corps to work with others.
- The Corps must consider regional needs; one policy will not address the needs of the entire nation.
- Authority for facility management should be at the local level. This would improve the competence of facility operations, with increased understanding of the local area.
- Financial incentives/subsidies are necessary for the Corps to interest outside sponsors/partners.
- The bureaucratic system must be simplified.
- Management of lake water levels to enhance recreation will encourage local and private development and allow shoreline development.
- Improve public relations/education.
- Increase Corps revenues.

Pittsburgh

The participants of the Pittsburgh Workshop felt that a regional recreation perspective toward recreational needs would be most beneficial to maintain and develop Corps facilities. They also stressed the idea that the U. S. Congress should recognize the national need for recreation and appropriate funds accordingly. The attendees also felt that the Corps must recognize the benefits of a commitment to recreation, although these benefits may not be readily defined in economic terms.

The Pittsburgh Workshop suggestions can be summarized as follows:

- Congress should recognize the national need for recreation and appropriate more funds for this purpose.
- Avoid the implementation of user fees for general public use.
- Separate the Corps' recreation division from Corps military association.
- Increase local involvement in recreation planning at Corps facilities.
- Develop separate use guidelines for natural-versus-improved recreation areas.
- Reduce bureaucracy to encourage private development.
- Improve the communications between government agencies.

Moline

There was general agreement among participants of the Moline Workshop that recreation is an important and growing part of Corps activities. The overall messages from these attendees reflect ideas requesting the Corps to utilize volunteers, promote awareness of Corps projects through advertising, and increase local management autonomy.

Summary statements of the Moline Workshop include:

- Encourage volunteerism, supervised by the Corps, similar to Civilian Conservation Corps.
- Encourage savings incentives by allowing carry-over of funds from one fiscal year to the next without reducing appropriations.
- Promote awareness of Corps projects through advertising.
- Remove recreation from the Dept. of Defense to increase its priority.
- Develop long-range plans for recreation that include conservation goals.
- Give local managers more flexibility, autonomy, and control.
- Do not reduce commitments to recreation, as the need for these opportunities/facilities is growing.
- Do not allow new options for private involvement to give unfair advantages to new concessionaires. Consider sunk costs of previous Corps concessionaires.

Atlanta

The general consensus of the Atlanta Workshop was that the Corps must evaluate the social, environmental, regional, and national value of recreation. The Corps must do a better job as a recreation provider by developing more controlled private/public partnerships. Consistent policies/regulations must be developed with a commitment to provide recreation to all publics.

Summary suggestions from the Atlanta Workshop include:

- The Corps should conduct studies to measure economic impacts of recreation.

- The Corps should consider long-term leases (fifty-year minimum) for commercial development. This would allow private interests the opportunity to acquire capital monies and investments.
- Management policies and practices should encourage private investment to foster free market economic success.
- Place recreation as a higher priority in Corps planning and operation.
- Develop consistent regulations and policies.
- Recognize that recreation cannot be separated from other water-related management issues.

ANALYZING RESULTS FROM THE WORKSHOPS

Beyond giving workshop leaders and attending Corps personnel a chance to gauge the mood of individuals across the country, the regional workshops generated an enormous amount of data. Three hundred and eighteen people attended the workshops, and almost all filled out the "Suggestions Evaluation Packet" which contained fifty-four preprinted options, with half a dozen or so additional options generally being added by the participants. Roughly speaking, then, the workshops produced about eighteen thousand individual rankings of individual options, with accompanying information on the affiliations of the producer of each rank for each option. What does it all mean? The rest of this chapter will be devoted to three different efforts at interpretation.

First, however, we note that the raw data -- the filled-in "packets" -- reside at Planning and Management Consultants, Ltd.'s office in Carbondale, IL and have been entered into an electronic database that allows additional manipulations if necessary. Data one step from the raw state, in the form of counts of ratings by evaluation scale element and affiliation, for every option from every workshop have been supplied with the preliminary workshop reports and will not be repeated with this final report. However, the evaluation counts for all participants for all workshops are included in Table 3-3 to give a first impression of the overall results. (Only the preprinted options are reflected in the table.)

The impressions we can take away from this table must be limited by the volume of information it contains, but do include the following:

- Some options stand out as attracting substantial support, especially
 - # 1 Increase use of supplemental labor sources.
 - # 2 Increase use of prisoners or juvenile offenders.
 - # 3 Increase the use of programs for the handicapped.
 - # 4 Increase use of volunteers.
 - # 6 Seek supplemental funding sources.
 - # 7 Participate in recreation trust funds.
 - #15 Increase recreation fees.
 - #16 Increase existing recreation user fees.
 - #25 Charge fair market value for all recreation outgrants.
 - #26 Charge fair market value for lakeshore use permits.
 - #41 Provide development incentives.
 - #42 Allow federal cost sharing on wider range of facilities.
 - #44 Improve existing facilities at federal cost to encourage greater nonfederal operation and maintenance.

TABLE 3-3

CUMULATIVE EVALUATION COUNTS

	DS	S	N	SN	DSN
#1	84	128	13	13	10
#2	65	97	39	29	28
#3	39	113	76	20	9
#4	112	112	15	9	7
#5	53	72	49	50	30
#6	90	94	33	19	11
#7	63	100	58	19	9
#8	26	69	51	56	51
#9	85	74	46	25	17
#15	50	102	33	30	16
#16	40	117	41	35	17
#17	41	52	57	55	56
#18	54	64	37	65	37
#19	31	64	29	74	60
#20	48	90	50	32	36
#21	30	51	41	65	70
#22	24	43	40	69	78
#23	47	53	54	58	47
#24	40	85	37	27	18
#25	51	99	52	27	26
#26	60	122	45	10	16
#27	33	30	32	69	89
#28	23	71	44	35	81
#29	26	72	58	29	71
#30	34	71	44	33	27
#31	25	96	44	42	45
#32	19	39	25	42	127
#33	10	38	35	53	118
#34	27	44	52	43	82
#40	81	74	33	27	38
#41	65	102	30	22	31
#42	70	113	29	27	19
#43	50	86	56	41	28
#44	51	92	53	36	26
#45	57	90	20	17	28
#46	80	107	18	31	23

Option Evaluation Scale:

DS = Definitely Should
 S = Should
 N = Neutral
 SN = Should Not
 DSN = Definitely Should Not

TABLE 3-3 (Continued)

CUMULATIVE EVALUATION COUNTS

	DS	S	N	SN	DSN
#47	113	105	19	12	9
#48	45	66	35	42	70
#49	62	83	58	29	28
#55	65	69	28	31	49
#56	51	82	30	49	62
#57	50	76	36	48	62
#58	32	36	62	72	66
#59	47	67	55	50	54
#60	54	78	31	18	46
#61	32	34	29	57	118
#62	46	95	51	23	53
#63	31	44	46	64	85
#64	64	62	39	25	40
#65	60	61	38	58	53
#66	27	35	37	62	108
#72	0	0	47	1	0
#73	63	86	27	35	25
#74	49	95	30	39	31
#75	44	94	43	39	22

Option Evaluation Scale:

DS = Definitely Should
 S = Should
 N = Neutral
 SN = Should Not
 DSN = Definitely Should Not

- #46 Allow more flexibility in leasing.
- #47 Reduce recreation cost-sharing "red-tape."
- #62 Fund and/or conduct experimental and research studies, provide test sites for demonstration projects, and conduct market studies.
- #74 Increase nonfederal public and/or private recreation responsibility at Corps projects.
- #75 Increase Corps recreation management responsibility at its projects through increased fees.

- Many fewer options received very large total negative ranks. The really notable examples are:

- #27 Reduce restrictions on private exclusive use.
- #32 Sell land.
- #33 Sell artifacts.
- #61 Transfer Corps lands to developers in exchange for development and/or management of recreation areas.
- #66 Allow private exclusive use in conjunction with private recreation development.

- For the rest, the balance was much closer, though in some cases distinctly positive, in others distinctly negative.

The lessons for the study from this way of looking at the workshop results seem to include the following:

- There are a number of paths that can be pursued with broad public support toward the goal being addressed by the study. Some of these are perhaps surprising, especially the fee increases and full-market-value options. Not so surprising is the support for ideas that seem to promise new money or lower costs, or that might make life easier for public-access but privately run facilities at Corps projects.
- Options that involve asset sales or the closing of parts of projects to public use are definitely and widely unpopular. This implies that encouraging private development as a way of raising money and of increasing use of project resources involves balancing on a political tight rope. There is plenty of opposition out there that can probably be mobilized by one misstep.

Pro- and Anti- Sentiment and the Effect of Aggregation

One way of trying to identify politically meaningful patterns in the workshop data is to concentrate on the pro- and anti-rankings and ignore the neutral rankings. Those individuals who feel that the Corps "definitely should" or "should" do something (or who feel the Corps "should not" or "definitely should not" do something else) can be presumed to care about that issue. Those who are neutral almost by definition do not care which policy is pursued with respect to that option.

But these tables are still overwhelming because of the large numbers of options and affiliations. Let us try, as we did in Chapter 2, to create aggregates of options that all deal with roughly the same approach to the Corps' goal. And let us, at the same time, aggregate over affiliations by creating broader categories for the attendees, but categories within which individuals' objectives may be presumed to be consistent.

To accomplish these two ends, we have created the following option categories³ and aggregated affiliations.

<u>Option Categories</u>	<u>Aggregated As:</u>
1, 2, 4	"Cut Costs"
5, 6, 7, 8, 9, 34	"Special Funding"
15, 16, 17, 18, 19, 20, 21, 22, 24, 25, 26	"Raise Fees"
30, 31, 32, 33	"Sell"
40, 41, 42, 43, 44, 45, 46, 47, 48	"Shift to Nonfederal Public Sector"
55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66	"Shift to Private Sector"
23, 27, 28, 29	"Relax Demand Side Constraints"
 <u>Affiliation Groups</u>	 <u>Aggregated As:</u>
User/User Group/Lake Assoc. + Environmental/Conservation Org.	USER
Concessionaire + Resort Developer	PROJECT BUSINESS (PRBUS)
Recreation Business/Industry + Chamber of Commerce	GENERAL BUSINESS (GEN BUS)
City/County or Regional Government + State Government + Federal Government	GOVERNMENT (GOV)
Academic Community	ACADEMIC (ACAD)

Table 3-4 shows in its eight parts, one for each aggregation of questions, the pro and anti ranking percents for the aggregated groups. The pro- and anti- percentages are just the

³ Suggestion 3 was eliminated from the analysis because of the widespread misinterpretation of its meaning by participants.

TABLE 3-4

PRO AND ANTI RANKINGS OF AGGREGATED OPTION CATEGORIES
BY AGGREGATED AFFILIATION GROUPS

#1, #2, #4 - Out Costs		PORTLAND		ARLINGTON		OMAHA		PITTSBURGH		MOLINE		ATLANTA		ALL	
Affil		Pro	Anti	Pro	Anti	Pro	Anti	Pro	Anti	Pro	Anti	Pro	Anti	Pro	Anti
1 & 2		66.7	0.0	79.5	0.0	60.6	15.2	78.8	21.2	78.8	12.1	83.3	12.5	77.2	10.2
3 & 4		66.7	16.7	62.1	3.0	61.1	38.9	91.7	8.3	81.8	6.1	71.4	14.3	69.9	10.3
5 & 6		16.7	83.3	73.0	3.2	50.0	33.3	83.3	0.0	74.1	3.7	83.3	0.0	68.9	10.6
7, 8, 9		84.4	8.9	67.9	5.1	70.0	13.3	46.7	40.0	68.4	8.8	79.2	8.3	70.9	10.7
10		0.0	66.7	0.0	0.0	0.0	0.0	83.3	16.7	100.0	0.0	80.0	0.0	76.7	10.0
1-10		71.4	19.0	70.9	2.8	64.8	18.9	75.0	20.8	76.9	9.4	79.2	8.3	72.7	10.4
#5 - #9, #34 - Special Funding															
PORTLAND		ARLINGTON		OMAHA		PITTSBURGH		MOLINE		ATLANTA		ALL			
Affil		Pro	Anti	Pro	Anti	Pro	Anti	Pro	Anti	Pro	Anti	Pro	Anti		
1 & 2		33.3	50.0	38.5	21.8	47.0	24.2	68.2	21.2	45.5	28.4	58.3	20.8	47.2	25.1
3 & 4		41.7	33.3	46.2	18.9	58.3	19.4	70.8	12.5	53.0	18.2	64.3	14.3	53.2	18.3
5 & 6		25.0	50.0	53.2	15.1	75.0	5.6	41.7	41.7	42.6	37.0	50.0	25.0	51.9	22.0
7, 8, 9		54.5	18.2	47.7	14.8	49.4	30.7	72.7	15.2	57.9	16.8	56.9	33.3	50.0	24.3
10		16.7	50.0	0.0	0.0	0.0	0.0	83.3	16.7	50.0	16.7	66.7	20.0	61.7	21.7
1-10		46.8	28.6	44.4	18.8	51.9	25.8	68.1	20.1	48.4	25.5	58.9	24.0	50.3	23.1

Note: All figures are in percentages. Affil = Affiliation.

TABLE 3-4 (Continued)

PRO AND ANTI RANKINGS OF AGGREGATED OPTION CATEGORIES
BY AGGREGATED AFFILIATION GROUPS

#15 - #22, #24 - #26 - Raise Fees		PORTLAND		ARLINGTON		OMAHA		PITTSBURGH		MOLINE		ATLANTA		ALL	
Affil		Pro	Anti	Pro	Anti	Pro	Anti	Pro	Anti	Pro	Anti	Pro	Anti	Pro	Anti
1 & 2	18.2	54.5	52.8	20.6	46.3	35.5	25.6	56.2	42.8	33.7	44.3	25.0	43.7	32.5	
3 & 4	9.1	18.2	51.7	21.9	45.5	39.4	56.8	29.5	42.1	32.2	61.0	15.6	49.0	25.7	
5 & 6	45.5	22.7	47.6	26.0	50.0	36.4	31.8	50.0	35.4	39.4	25.0	25.0	42.6	31.0	
7,8,9	41.3	26.7	43.5	27.6	49.0	29.6	34.0	54.7	48.6	26.0	48.2	30.1	46.0	29.1	
10	63.6	18.2	0.0	0.0	0.0	0.0	50.0	50.0	22.7	36.4	61.8	30.9	51.8	34.5	
1-10	39.4	26.4	49.7	23.6	48.4	32.6	35.6	50.0	41.6	33.0	49.7	24.7	45.5	30.1	
#30 - #33 - Sell		PORTLAND		ARLINGTON		OMAHA		PITTSBURGH		MOLINE		ATLANTA		ALL	
Affil		Pro	Anti	Pro	Anti	Pro	Anti	Pro	Anti	Pro	Anti	Pro	Anti	Pro	Anti
1 & 2	30.8	25.0	30.8	49.0	18.2	40.9	18.2	68.2	19.3	49.4	34.4	43.8	23.8	49.8	
3 & 4	0.0	25.0	36.4	40.9	54.2	37.5	68.8	31.3	37.5	54.5	42.3	39.3	39.4	41.8	
5 & 6	37.5	25.0	45.2	35.7	33.3	54.2	0.0	62.5	6.5	55.6	43.8	6.3	33.0	40.3	
7,8,9	43.3	33.3	31.7	45.2	39.2	38.3	25.0	35.0	38.5	41.7	62.5	17.9	36.7	38.3	
10	25.0	50.0	0.0	0.0	0.0	0.0	25.0	75.0	0.0	44.4	45.0	50.0	30.0	57.5	
1-10	39.3	32.1	35.5	43.2	35.8	40.6	27.1	55.2	22.4	49.1	41.4	33.6	32.2	43.5	

Note: All figures are in percentages. Affil = Affiliation.

TABLE 3-4 (Continued)

PRO AND ANTI RANKINGS OF AGGREGATED OPTION CATEGORIES
BY AGGREGATED AFFILIATION GROUPS

#3, #23, #27, #28, #29 - Relax Demand Side Constraints		PORTLAND		ARLINGTON		OMAHA		PITTSBURGH		MOLINE		ATLANTA		ALL	
Affil	Pro	Anti	Pro	Anti	Pro	Anti	Pro	Anti	Pro	Anti	Pro	Anti	Pro	Anti	Pro
1 & 2	25.0	75.0	27.9	39.4	36.4	36.4	20.5	65.9	20.5	54.0	56.3	25.0	27.0	47.5	
3 & 4	37.5	25.0	46.6	26.1	70.8	20.8	93.8	6.3	45.5	45.5	64.3	25.0	54.8	27.9	
5 & 6	50.0	50.0	34.5	33.3	45.8	29.2	12.5	87.5	38.9	55.6	37.5	18.8	36.9	39.2	
7,8,9	30.0	50.0	21.2	42.3	30.0	46.7	25.0	50.0	32.9	39.5	18.8	62.5	27.2	46.1	
10	75.0	25.0	0.0	0.0	0.0	0.0	12.5	87.5	25.0	37.5	40.0	45.0	35.0	50.0	
1-10	34.5	47.6	31.8	35.8	37.7	39.6	32.3	56.3	28.5	49.4	43.8	36.7	33.4	42.7	
#40 - #49 - Shift to Nonfederal Public Sector		PORTLAND		ARLINGTON		OMAHA		PITTSBURGH		MOLINE		ATLANTA		ALL	
Affil	Pro	Anti	Pro	Anti	Pro	Anti	Pro	Anti	Pro	Anti	Pro	Anti	Pro	Anti	Pro
1 & 2	100.0	0.0	26.9	47.7	52.7	15.5	55.5	29.1	40.2	39.8	67.5	11.3	42.6	35.3	
3 & 4	95.0	0.0	50.9	18.6	45.0	18.3	90.0	0.0	46.4	32.7	74.3	10.0	57.1	18.3	
5 & 6	85.0	10.0	54.3	24.8	66.7	11.7	70.0	15.0	26.7	44.4	70.0	7.5	53.9	24.3	
7,8,9	88.0	2.0	55.4	12.3	73.7	11.3	70.0	18.0	50.5	22.6	66.3	13.8	66.1	12.8	
10	80.0	10.0	0.0	0.0	0.0	0.0	95.0	5.0	65.0	5.0	84.0	6.0	82.0	6.0	
1-10	88.6	2.9	46.3	26.2	65.3	13.0	68.8	18.8	42.5	34.7	71.6	10.3	55.7	22.5	

Note: All figures are in percentages. Affil = Affiliation.

TABLE 3-4 (Continued)

PRO AND ANTI RANKINGS OF AGGREGATED OPTION CATEGORIES
BY AGGREGATED AFFILIATION GROUPS

#55 - #66 - Shift to Private Sector		PORTLAND		ARLINGTON		OMAHA		PITTSBURGH		MOLINE		ATLANTA		ALL	
Affil		Pro	Anti	Pro	Anti	Pro	Anti	Pro	Anti	Pro	Anti	Pro	Anti	Pro	Anti
1 & 2	41.7	50.0	16.3	70.8	37.9	37.1	15.9	72.7	18.9	53.6	32.3	39.6	21.3	57.2	
3 & 4	79.2	8.3	71.2	13.3	83.3	11.1	45.8	4.2	35.6	55.3	82.1	8.3	64.9	20.4	
5 & 6	79.2	0.0	49.6	40.1	63.9	23.6	4.2	33.3	11.1	65.7	47.9	10.4	42.8	38.3	
7,8,9	53.9	23.3	34.3	42.6	47.2	32.8	25.0	50.0	32.5	28.5	42.7	39.6	40.8	34.5	
10	75.0	16.7	0.0	0.0	0.0	0.0	8.3	91.7	33.3	20.8	41.7	51.7	36.7	50.0	
1-10	59.1	20.6	41.3	43.0	51.3	30.2	21.2	54.9	23.6	48.7	49.2	31.0	38.6	40.5	

Note: All figures are in percentages. Affil = Affiliation.

aggregated versions of the ones already calculated. (e.g., Total pro (DS, S) votes on all questions in the aggregated set by persons in the aggregated affiliation group divided by the total votes cast equals "pro" percent for the aggregated option set.)

This table does seem to hold a few lessons, and though most of these are far from surprising, they are worth mentioning. First, almost every group was strongly in favor of the Corps cutting its costs by using cheaper labor. (Even the use of juvenile offenders or prisoners, Option 2, was generally viewed positively.) Second, there was also very favorable reaction to the idea of seeking additional funding for recreation through one or another special route (e.g., private donations, federal recreation lottery, or transfer of hydropower revenues). Not surprisingly, the general business affiliation group was least favorably disposed toward this set of options.

What is perhaps most surprising about this entire table is the positive reaction to increasing fees. No affiliation group -- not even the user group -- was consistently against this option at every workshop. And in no workshop was every group on balance against increased fees.

Fee introductions and increases may be politically viable and could make a dramatic difference in the net federal cost of providing recreation at Corps projects. It is, unlikely by contrast, that either the "cutting cost" or "special funding" option groups can really contribute much toward meeting the overall goal of the study. The first is unlikely in practice to make much of a difference, since it will cost money to organize and supervise volunteers or prisoners or any other unconventional sort of labor. The second option group suffers from a certain political naivete. If it were that easy to get more money for recreation, for example by cross-subsidy from hydro sales, it seems unlikely the opportunity would have been missed for so long.

The option group involving selling off assets (land and artifacts) or simply selling some sort of merchandise is on balance not popular. This result is dominated by opposition to sales of land (especially) and artifacts (to a lesser extent). On the whole, this seems a sensible result. Most individuals recognize that selling assets to support current consumption is a recipe for long-term trouble.

Policies encouraging a shift of recreation responsibility to the nonfederal public sector were popular with all affiliation groups at all the workshops, with one exception. (The private developers at Moline showed more opposition than support.) What is most remarkable here is that the government officials -- generally a group dominated by state and local government representatives -- joined in this support. This is remarkable because of the strong signals coming from other directions that the states do not want or cannot afford added recreation responsibilities. And it is by no means the case that the individual options in this category are all of the sort that imply a free ride for the states. Probably what we are observing here is the enthusiasm of those who would have new opportunities and responsibilities were such transfers effected, but who do not face the political task of finding the money.

The option group that involves ways to encourage a shift of recreation responsibilities to the private sector received very mixed rankings. No affiliation group was consistently for or against it, not even the project and general business groups. Users at some workshops were strongly against, and others weakly for. Government people were sometimes against, sometimes for. These mixed results may mean that the Corps' leadership has considerable freedom to explore specific policies aimed at drawing in more private capital and entrepreneurial energy. But for reasons discussed in Chapters 1 and 2, the private sector is not likely to be either willing or able to make much of a dent in current, or even future, Corps recreation responsibilities.

The last aggregated option group we have characterized as one involving relaxing demand-side constraints. Here again, results were mixed, with no obvious pattern. On the other hand, this is probably the least defensible of our aggregations. The other three individual options

that go to make up this group (allowing gambling, allowing the sale of state lottery tickets, and relaxing the 14-day camping limitation) are favored and opposed by roughly equal numbers. To the extent there is any message here about public opinion, it seems to have very little significance for the national study because the options themselves are not strong contenders for the roles of reducing net costs or increasing recreation opportunities. Relaxing restrictions on private exclusive use would enhance recreation quality for small groups, but would not necessarily do anything for the budget. Relaxing the 14-day camping limit might increase revenue if at some campgrounds no queue exists and campers are forced to leave before they otherwise would. The other options in this group seem to promise at best a small increase in Corps income and one of them, reducing restrictions on private exclusive use, would again make for higher quality recreation only for those with the right of use.

Strength of Agreement

Another way to tease some meaning out of the mass of workshop results is to look for strength of agreement on particular options. To do this, a strength-of-agreement index may be created that has a resemblance to the well-known coefficient of variation. Thus, for any number of ranking categories, R_1 --- R_K , and any number of individuals N , who rank an alternative in any of the K groups, the strength-of-agreement index for any one option is defined as:

$$SAI = \frac{\sum_{i=1}^K (N_i - N/K)^2}{(N/K)2N}$$

The two terms in the denominator of this fraction amount, first, to the number of individuals who would, on average, rank the option in each rank if ranks were assigned randomly by individuals. Or, said another way, N/K just divides the population of rankers equally among the groups. The second term, $2N$, normalizes for the size of the group doing the ranking. The numerator in effect measures the distance from the observed set of rankings to the random or equal division rank.⁴ In the Regional Public Workshop working paper series⁵ we show the top ten options in terms of this index for each workshop. Thus if the people do in fact find themselves equally divided on the option, $SAI = 0$, it can be shown that the largest value for given N and K occurs when all N participants agree on a single ranking.⁶

In Table 3-5 we report the extent to which options with strong agreement index scores at one workshop also scored in the top 10 in other workshops. We include, but differentiate between, printed options and option themes identified in workshop brainstorming sessions and subsequently ranked.

We observe that no single option or theme achieved a top ten strength-of-agreement score across all six workshops -- or even across five of the six. If we expand the search for agreement to the top fifteen strength-of-agreement scores at each workshop, we do find that one option, #4,

⁴ $\sum(N_i - N/K)^2/2N$ would be the standard deviation if the mean were N/K -- that is, if people were evenly divided on the rank of the option on average.

⁵ Planning and Management Consultants, Ltd., 1990.

⁶ The value of SAI then is $(N - N/K)^2 + (K-1)(-N/K)^2$ which equals $[N^2 - 2N^2/K + KN^2/K^2]/[N/K(2N)] = (K-1)/2$. In our workshop data, $K = 5$, so $\max(SAI) = 2.0$ when all those ranking an item agree.

TABLE 3-5

AGREEMENT WITHIN AND AMONG WORKSHOPS
OPTIONS ACHIEVING HIGH STRENGTH OF AGREEMENT SCORES
AT ONE OR MORE WORKSHOPS

<u>Printed or Pre-identified Options</u>			<u>Description</u>
<u># of Workshops</u>	<u>Option #</u>	<u>Predominant Evaluations</u>	
4	1	4 S	Increase use of supplemental labor sources
4	46	2 S, 2 DS	Allow more flexibility in leasing
3	4	2 S, 1 DS	Increase use of volunteers
3	42	2 S, 1 DS	Allow federal cost-sharing on a wider range of facilities
3	45	2 S, 1 DS	Provide lease incentives
3	47	1 S, 2 DS	Reduce recreating cost-sharing "red-tape"
2	6	1 S, 1 DS	Seek supplemental funding sources ^a
2	16	2 S	Increase <u>existing</u> recreation use fees
<u>Inserted Options Based on Morning Brainstorming Sessions</u>			<u>Description [General Theme]</u>
<u># of Workshops</u>		<u>Predominant Evaluations</u>	
4		4 DS	Fix the bureaucracy whether via incentives, changed regulations, new training, reorganization
3		3 DS	Create and adopt a long range policy on recreation generally (within the Corps)
3		3 DS	Improve project planning, include economic impact study and involve locals
2		3 DS ^b	Increase local management flexibility (authority)

^a Inclusion of essentially similar inserted options from Moline and Omaha Workshops brings number of workshops agreeing up to four. The two other workshops agreed on definitely should evaluation.

^b Moline produced two options for insertion that were very similar and on this theme.

"Increase use of volunteers," produced general and positive agreement at five workshops. Only Portland did not climb on the volunteer band wagon.

Confining ourselves to the top ten strength-of-agreement scores at each workshop, we do find that six pre-identified options and three inserted options or option themes were strongly agreed on by three or more workshops. All of this agreement was on the positive side. Four of the six pre-identified options agreed to widely fall into the category, "Increase nonfederal private involvement." Two involve attempting to cut recreation O & M costs via use of supplemental or volunteer labor. The inserted option themes that were widely agreed to involved (1) somehow fixing the bureaucracy, which is clearly perceived to function badly where recreation is concerned; (2) creating a long-term recreation policy for the Corps, presumably to attempt to do away with these periodic flutters about what the Corps is doing in recreation anyway; (3) doing a better job of local project planning, to include economic impact assessment; and (4) increasing local management authority and flexibility. (This might be seen as just another way of fixing the bureaucracy.)

Regression Relations

In Table 3-6 we report the results of ordinary least squares (OLS) linear regressions for which the dependent variables were:

Y_i = 1 if a person ranked an underlying option DS or S
 = 0 if a person ranked an underlying option as SN or DSN (or N)

and I represents the aggregated option categories already defined above ("Cut Costs, Raise Fees, etc.).⁷ The explanatory variables are dummies representing workshop attended (hence, somewhat imperfectly, region) and user group checked.⁸ Thus,

WS1	=	1 if person attended Portland Workshop
	=	0 otherwise
WS2	=	1 if person attended Arlington Workshop
	=	0 otherwise
WS3	=	1 if person attended Omaha Workshop
	=	0 otherwise
WS4	=	1 if person attended Pittsburgh Workshop
	=	0 otherwise
WS5	=	1 if person attended Moline Workshop
	=	0 otherwise
USER	=	1 if person checked User/User Group/Lake Assoc. or Environmental/Conservation Org.
	=	0 otherwise
PRBUS	=	1 if person checked Concessionaire or Resort Developer
	=	0 otherwise
GENBUS	=	1 if person checked Recreation Business/Industry or Chamber of Commerce
	=	0 otherwise

⁷ We recognize that it would be better to analyze these data using Logit or some other method suited to binary dependent variables. We would not expect the relations to differ in sign or, indeed, to differ often in significance, however, so the OLS/linear approach should not be misleading.

⁸ As already noted, individuals who checked more than one user group on their evaluation form were excluded from the regression analysis.

TABLE 3-6

LINEAR OLS REGRESSION RESULTS
PROPORTION IN FAVOR OF AGGREGATED OPTIONS AS FUNCTION OF WORKSHOP AND USER GROUP

EXPLANATORY VARIABLES	DEPENDENT VARIABLE						
	CUT COSTS	SEEK SPECIAL FUNDING	RAISE FEES	RELAX DEMAND CONSTRAINTS	SELL ASSETS	SHIFT TO NON-FEDERAL PUBLIC SECTOR	SHIFT TO PRIVATE SECTOR
INTERCEPT	0.87** (16.23)	0.67** (13.18)	0.65** (16.60)	0.36** (5.87)	0.53** (7.98)	0.91** (26.18)	0.52** (15.63)
PORTLAND WORKSHOP	-0.06 (-0.86)	-0.03 (-0.46)	-0.04 (-0.78)	0.04 (0.53)	0.08 (0.83)	0.05 (1.19)	0.23** (4.99)
ARLINGTON WORKSHOP	0.07 (1.12)	-0.06 (-1.05)	-0.03 (-0.62)	-0.05 (-0.67)	-0.25** (-3.38)	-0.22** (-5.36)	-0.10** (-2.68)
OHWA WORKSHOP	-0.03 (-0.56)	0.00 (0.07)	-0.04 (-0.92)	0.11 (1.57)	0.00 (-0.08)	-0.05 (-1.38)	0.09* (2.42)
PITTSBURGH WORKSHOP	-0.11 (-1.62)	0.15* (2.25)	-0.28** (-5.61)	-0.13 (-1.62)	-0.18* (-2.11)	-0.04 (-0.96)	-0.17** (-3.84)
MOLINE WORKSHOP	0.02 (0.32)	0.03 (0.50)	-0.07 (-1.55)	-0.12* (-1.83)	-0.15* (-2.19)	-0.24** (-6.19)	-0.08* (-2.12)
USER GROUP	-0.02 (-0.45)	-0.08* (-1.96)	-0.02 (-0.74)	0.01 (0.13)	-0.14** (-2.72)	-0.22** (-7.76)	-0.22** (-7.88)
PROJECT BUSINESS	-0.02 (-0.40)	-0.02 (-0.39)	-0.07 (1.85)	0.40** (7.07)	0.09 (1.48)	-0.03 (-0.95)	0.32** (10.35)
GENERAL BUSINESS	-0.18* (-2.86)	-0.12* (-1.93)	0.04 (0.76)	0.10 (1.40)	-0.11 (-1.36)	-0.04 (-0.87)	0.11** (2.58)
ACADEMIC	0.06 (0.61)	-0.02 (-0.19)	0.02 (0.41)	0.10 (1.05)	-0.16 (-1.61)	0.04 (0.68)	-0.12* (-2.36)
N	476	846	1589	605	566	1525	1801
R ²	0.04	0.02	0.03	0.12	0.09	0.14	0.21
F	2.16*	1.81	6.04**	8.72**	5.83**	27.90**	52.97**
deg freedom	9/466	9/836	9/1579	9/595	9/556	9/1515	9/1791

Figures in parenthesis are coefficient t values.

* Significant at the 5% level.

** Significant at the 1% level.

ACAD = 1 if person checked Academic
= 0 otherwise

Thus, the base group -- the group whose predicted favorable ranking proportion is shown by the intercept is the set of government people attending the Atlanta Workshop.

The interpretation of the (significant) coefficients in Table 3-6 is in general, then, that they represent the increase or decrease in the proportion ranking that option group favorably attributable to a shift in region or a shift in affiliation category. More carefully, looking at the coefficient for one of the workshop dummies means looking at the effect on the favorable ranking by government attendees of changing region. For any given workshop, the coefficient on an affiliation group tells us the effect or the proportion of favorable rankings of looking at a different affiliation group than "government."

Thus the predicted favorable ranking proportion associated with government group at Atlanta of "Relax Demand Constraints" was 46%. The government group at Pittsburgh was less favorable by about 17 percentage points. But the project business group at Pittsburgh was roughly 31 percentage points more favorably disposed. So the predicted (fitted) favorable proportion among project business people at Pittsburgh on the question of relaxing demand-side constraints, would be:

$$(0.46) + (-0.17) + (0.31) = 0.60$$

Because these coefficients reflect all the noise in the data caused by unmeasured variables affecting individual rankings, our R^2 s are quite small (though one or two are surprisingly large) and the exercise we just went through does not produce very close matches for observed percentages favorable.

Our interest, however, is in the direction of adjustment, where the coefficients are statistically significant. What do we find? First, looking regression by regression, we see that:

- General Business participants were less favorably disposed toward Cutting Costs (through use of unorthodox labor) than were government people. No other workshop or affiliation group relation shows up as significant.
- The overall relation for Seek Special Funding was not statistically significant, so we do not want to make too much of the significant coefficients. But *ceteris paribus* the Pittsburgh Workshop people viewed this less favorably, as did users and general business people (relative to the government participants in Atlanta).
- Raising Fees was also less favorably viewed by participants at Pittsburgh. But no other workshop or affiliation variable was significantly related to this option set. The base favorable rate was 65% which is about the median value for the intercept terms.
- Relaxing Demand-side Constraints was not at all popular with the base group, and was even less popular at Pittsburgh and Moline, while being more popular with project business people -- an intuitively reassuring result.
- Selling Assets had the third lowest intercept (predicted base-group favorable rating), and each of the significant coefficients is negative; so that the Arlington, Omaha, and Pittsburgh participants were even less favorably disposed, as was the user group.
- Shifting Responsibility to the Nonfederal Public Sector was quite popular with the government people at Atlanta, displaying the largest intercept. The regression relation here was also quite strong -- perhaps remarkably strong, for cross section attitude survey data. Again, both Pittsburgh and Arlington participants were significantly less favorably inclined, as was the user group.

- Shifting Responsibility to the Private Sector had the second lowest level of predicted support among the base group. The regression relation was extremely strong and every coefficient significant at the 5% level or lower. The Portland and Omaha participants liked this option better than the Atlanta group, while the Arlington, Pittsburgh and Moline groups were more negatively inclined. Among the affiliation groups, it is reassuring to find a more favorable view of measures to increase the private sector role among members of that sector. Users and academics found the idea less appealing than the base group, *ceteris paribus*.

Looking across the rows of the table we find the following patterns.

- The Pittsburgh and Moline participants were the most negatively inclined, with significantly negative coefficients on this dummy in 4 of 7 regressions. And Arlington just trailed these two, with three significantly negative coefficients. The only statistically significant positive coefficient on a workshop dummy was that for Pittsburgh on Seeking Special Funding.
- Among the affiliation groups, the Users win the prize for negativity. The coefficient on User was significantly negative in four relations. (Seeking Special Funding, Selling Assets, and the two option groups representing shifting recreation responsibility away from the Corps.
- Project-level business people were distinctly up for relaxing demand side constraints and shifting responsibility to the private sector.
- The general-business community was down on cutting costs and seeking special funding, and up on shifting to the private sector.

What might we carry away from all this?

- Selling assets is unpopular everywhere, some places more than others, and with users more than other groups in the same region.
- Shifting responsibility toward the non-federal public sector is quite popular in most regions, but was viewed less favorably in Pittsburgh and Arlington and among users than in other regions and by other groups.
- Shifting responsibility toward the private sector is not particularly popular anywhere, though more so in Portland and Omaha than in Arlington, Pittsburgh, Moline, and even Atlanta. It is more popular with businessmen than with users or academics.
- And, again perhaps surprisingly, raising fees runs around the median favorable ranking among the base group and is only significantly less popular among Pittsburgh participants. Importantly, users did not display statistically significant hostility. Whether that translates into an absence of politically significant opposition is a different question, though one that eventually must be answered by the Corps if this strategy is to be pursued.

CHAPTER 4

OVERALL RESULTS AND RECOMMENDATIONS

This project has amounted to an effort to measure the opinions of different "publics" about the options identified by the Corps of Engineers study committees for trying to meet the dual goals of the National Recreation Study. The internal public of the Corps itself was given a chance to express itself at the Nashville Workshop. The larger publics of concerned users, related businesses, state and local officials, and even academics were asked for comments in two different settings -- a small number of one-on-one interviews without a rigid structure and six more formal facilitated workshops structured by an evaluation questionnaire. In all, almost five hundred people contributed their thoughts on the Corps problem.

It would have been convenient for the authors of this report if all those individuals had agreed on what were desirable and what were undesirable options. Of course they did not. Individual and group interests, not to say perceptions, lead to very different views of what the problem is and therefore what ought to be done. As we have indicated at various points in the first three chapters, some of the options favored by some of the groups can at best make only a marginal contribution to solving the problem. Others amount to wishing the problem away (e.g., persuade Congress to appropriate more money for recreation). With the background of data and analyses in Chapters 1-3, providing the Corps with a foundation for forming its own judgments, we intend in this chapter to present our own conclusions and recommendations. Our discussion will not touch on every strawman put forward by the study for public comment nor on every suggestion flowing from interviews and workshops. Rather, we concentrate on three areas that in our opinion share several important characteristics:

- They might actually make a difference.
- They do not appear to be utopian, for example, they do not depend on individuals becoming less self-interested.
- They did not provoke intense opposition among any of the publics.

The three areas discussed in this chapter are:

1. economically meaningful pricing
2. specific accommodations to the private sector
3. dealing with the bureaucratic monster

PRICING

If there is a big surprise in any of the data from the three public opinion sampling efforts described above, it is that the suggestions of more realistic pricing, especially in the form of fees for day-use activities, were not greeted with a firestorm of opposition. No major group, including users, was consistently against this set of options, and at no regional workshop was overall opinion decidedly negative. It is true that project-level Corps officials, perhaps anticipating that opposition would surface as soon as fees were actually charged, were fairly negative. But higher up the chain of command, a more positive attitude appeared.

More realistic pricing could certainly make a difference. According to the Federal Recreation Fee Report for 1988, the Corps of Engineers in 1988 collected just about \$14.7 million

in fees from 6.67 million "fee management unit visits" (see Table 4-1). This revenue does not begin to tap the potential of Corps sites. If, for example, a one dollar fee were collected for each visitor-day in 1987, the Corps would have generated over \$500,000,000 in revenue.

Beyond the revenue, pricing would make a socially beneficial difference by sending the proper signals to users. While users who came to a project only to look may be enjoying what amounts to a public good, other users, including boaters, fishermen, picnickers, and swimmers are using facilities at which the long-run cost of serving another "customer" -- of providing another recreation day of a certain type -- is not zero. In part, this is a matter of crowding. Boat ramps, parking lots, picnic areas, and beaches have fixed capacity. Above "some level of use", each additional user puts noticeable (external) costs on each other user. (This is also true of lake surface area.) But to the extent that use of these facilities implies real costs for the Corps for security, clean-up, and wear and tear on capital, there are real costs attachable to each additional visitor day. Visitors have to know what all those costs (resource and externality) are if they are to make the kind of rational decisions that welfare theorems about the market economy depend on. These arguments run both to day-use fees and to the pricing of concessions, development leases, and private exclusive-use permits.

But how can the Corps know what prices to charge? Wouldn't prices inevitably be completely arbitrary and thus not really serve the welfare end but merely raise same desired amount of revenue? Well, it is certainly true that arbitrarily set fees would be easiest to arrive at. And, at a guess, starting from zero with one eye on revenue and the other on politics, any initial set of fees would probably be so low as to have little impact on use. This is not, however, the best that could be done.

It would be entirely within the capabilities of the Corps of Engineers' Institute for Water Resources, though far from a trivial task, to conduct studies aimed at identifying efficient prices for the major recreation "goods" sold by the Corps. What is needed is knowledge of demand and supply -- of marginal willingness to pay for, and marginal cost of, providing units of the various goods over appropriate ranges of quantities provided. There are models in the literature for such efforts.¹ Much, though not all, of the necessary data are currently collected by Corps projects. The way to proceed here is probably to obtain authorization for a regional pilot study that would result in nationally transferable methodology. Such methodology would have to take into account not only Corps resources but also competing and complementary resources and their relation to within-and-without region demands. It would also have to be sensitive to the matter of demand peaking seasonally, weekly, and over the hours of any given day. For peak-load pricing would almost certainly be more efficient than temporally flat fee structures, at least for visitor use.

Therefore, our **first recommendation** is:

- That the Corps commit itself to, and obtain necessary authority for, charging at least approximately efficient prices for all recreation users that have a private-good character. These at least should include day-use recreation activities (other than just looking or sight-seeing), the granting of concession and development leases, and the granting of various types of private, exclusive-use permits. The necessary studies could also feed into a national recreation plan for the Corps, a frequent recommendation at the workshops.

RELATIONS WITH PRIVATE SECTOR

The second area in which we see scope for major improvements in Corps recreation policy, in relation to the overall goals of the Recreation Study, is the structuring of relations with

¹ See, for example, the case studies reported in John V. Krutilla and Anthony C. Fisher, 1985. The Economics of Natural Environments. Resources for the Future. Washington, D.C.

TABLE 4-1

FEE DIFFERENCE ACROSS FEDERAL AND
QUASI-FEDERAL AGENCIES PROVIDING RECREATION

	Bureau Land Mgt	Bureau of Reclamation	Corps of Engineers	Forest Service	Fish and Wildlife Services	National Park Services	Tennessee Valley Authority
1986							
Fee Receipts	\$1,198,673	\$824,772	\$11,903,083	\$10,930,200	\$154,928	\$22,351,149	\$553,752
Fee Mgt Unit Visits	763,900	3,365,500			5,650,200	152,839,700	321,100
Ave Fee/Visit	\$1.57	\$0.24			\$0.03	\$0.15	\$1.72
1987							
Fee Receipts	\$1,299,732	\$835,542	\$13,236,335	\$11,134,519	\$205,432	\$41,878,220	\$636,293
Fee Mgt Unit Visits	734,000	3,362,500			7,025,800	178,315,600	342,400
Ave Fee/Visit	\$1.77	\$0.25			\$0.03	\$0.15	\$1.72
1988							
Fee Receipts	\$1,462,562	\$821,687	\$14,695,951	\$12,439,780	\$1,695,872	\$51,211,735	\$757,792
Fee Mgt Unit Visits	2,061,600	3,230,100	6,672,000		8,866,600	166,993,800	411,500
Ave Fee/Visit	\$0.71	\$0.25	\$2.20		\$0.19	\$0.31	\$1.84

Source: Federal Recreation Fee Report - - 1988, June 27, 1989. National Park Service.

the private sector -- both small-time concessionaires and big-time developers. A start in this direction could be accomplished by working on a few quite specific problems described below. A fully satisfactory policy probably requires some more fundamental changes touched on in our third area, bureaucracy.

- A very common complaint in interviews and workshops, though not the Nashville internal workshop, was that leases for private developers of recreation related private enterprises were just too short. Apparently there is no single term uniformly applied, but periods as short as a few years were mentioned. The near-universal desire was for a minimum term of thirty years.

The idea behind short leases is presumably to maintain flexibility and to avoid getting stuck with an undesirable or incompetent leaseholder. We believe that the existence of distinctly under-market prices for leases helps to create this perceived problem. If leases were priced at a realistic market rate, operators would either have to be competent and successful or have to abandon the lease to the Corps. Underpricing leases subsidizes incompetence.

- A similar argument says that the Corps should not force concessionaires or developers to charge, in their turn, less than market prices. Successful cooperation with the private sector involves, among other things, taking advantage of the beauty of the decentralized price system and of the self-interest of private-sector management. The Corps' worry here may be partly political (just as with its own fees) and partly the fear of "price gouging." While it would take a full-scale study to prove it, our belief is that sufficient competition exists, or could be brought into existence by additional lease offerings, to keep prices to a competitive standard. At most Corps projects, it is very likely that within, say, an hour's drive at least one other offerer of water-based recreation will exist.
- A third area with potential for improving Corps experience with the private-sector alternatives -- and one that received considerable attention in interviews and workshops -- is that of nonprice regulations on the activities of lessees. A lightening rod example is the matter of liquor service. The ability to serve drinks at a restaurant may easily be the difference between success and failure. Yet permission to serve drinks is granted as a special concession by the Corps. The justification for this policy appears to be a concern that facilities be suitable for "family" recreation. Liquor is seen as destroying that suitability. A quick survey of high-quality privately owned destination resorts and even day-use facilities should be sufficient to convince the open-minded that there is no necessary inconsistency between the serving of liquor and the attraction of families.
- There is, however, one broad area of management that respondents agreed the Corps cannot abandon to the private sector -- the environment. The Corps' interest in site planning, protection of artifacts and shorelines, and maintenance of air and water (both ground and surface) quality is entirely legitimate. Just as with any form of pollution -- visual, noise, or materials discharge -- private-sector owners have no incentive to take account of the external costs of their action. They must be forced to do some things not in their narrow self-interest because of the larger social interest.

Our second recommendation is, then:

- That the Corps work to change several facets of its policy toward private-sector developers and concessionaires. Particular examples include:
 - Lease terms should be longer, providing lease payments reflect market values.
 - Leaseholders should themselves be free to charge market prices except in what are probably unusual circumstances involving near-monopoly conditions.

- Nonprice regulation of leaseholder operations should be lightened up except as it pertains to the natural environment. As a particularly potent symbol of existing micromanagement, the treatment of permits to serve liquor should be changed.

REFORMING THE BUREAUCRACY

The single most pervasive theme in the interviews and workshops was the multifaceted problem of Corps bureaucracy. Specific complaints took several forms, some of them apparently contradictory. For example, some respondents in interviews and workshops saw themselves as victims of petty tyrants at the project level. Others thought their local contacts were just fine but themselves at the mercy of arbitrary superiors. Many felt that approvals for private and even nonfederal public cooperative ventures take far too long because of the very long chain of command they must ascend and then descend. Some respondents called for a single "clearinghouse" of information that would allow them to go forward with plans under some certainty about Corps policies and regulations. Others (clearly those satisfied with local officials) wanted to see considerably more authority vested in local decision makers. Some suggested special training for Corps managers in how to work with the private sector. Others wanted the Corps to be forced to take more notice of local public opinion in shaping policies at specific projects.

The very diversity of the analyses and solutions offered tells us that this is not a problem amenable to simple solution. The Corps has its own internal logic and institutional dynamic. In the recreation area, particularly, it often finds itself caught between Congress and the President. The self-protective instincts of those at the top are reflected and refracted at successively lower levels. Project management could not ignore for long, even if no books of detailed regulations existed, the concerns of those who see the national and longer-term picture from the agency's point of view.

Our own third recommendation has two parts. The first is a rather modest suggestion that attempts to change the incentives facing those Corps officials most closely associated with nonfederal initiatives in recreation at all levels. The second recommendation is more sweeping and perhaps threatening and involves (possible) creation of a new institution to manage recreation at Corps projects.

Thus our third recommendation is:

- That the Corps define a new functional area at every level. This might be called "nonfederal initiatives." It would be symmetric with real estate, natural resources, planning, etc. But it would have as its mission successfully involving state, regional, local, and private institutions in recreation development and management at Corps projects. Thus, career rewards would come from being helpful, prompt, etc., and at best, the "corporate culture" would evolve toward outward-looking service.

In summary, we believe that the paired goals of the recreation study will not be reached easily. But the most promising direction in which to look for a path to those goals is that of pricing. The Corps can improve social welfare and its own budget situation by pricing the services it provides -- and those provided by nonfederal and private partners -- at levels approximating what free markets would produce. In addition, the Corps could usefully work to clear away some of the underbrush in its nonprice regulation of those partners. And it might further consider modest or not-so-modest reorganizational alternatives that would change the incentives facing individual managers.

APPENDIX A

NARRATIVE SUMMARY OF PERSONAL INTERVIEWS

Appendix A provides a brief summary of each interview conducted during this research effort. To provide the desired anonymity of the interviewees, each participant was assigned a number and is referred to by that number in the Appendix.

Persons #1, #15, #36

The Savannah Valley Authority is a state authority charged with the economic development of the Savannah River Basin of South Carolina. The respondents characterized the agency as "project-driven," being interested in any sort of project having economic development potential. The SVA's connection to the COE is that the "drainage basin of the Savannah River is married to the Corps of Engineers," as one of the respondents described it.

The respondent's first key point was this: the COE places too many restrictions on what may be done with its land, and it spends too much time telling developers what they cannot do on Corps property. By doing so, it limits the options of those who know about development. The respondent stated that the COE does not understand what people look for in development opportunities, asserting that "the only way they are going to be able to attract private dollars is to allow private developers to design and market projects in the way that they see fit." This was qualified, though, by noting that development does need to be done within the boundaries set by economic development goals, environmental regulations, etc. A few examples noted were of conditions of Corps leases that were believed to be too restrictive, in particular the prohibition against liquor, the limits on the length of time a guest may stay at a site, and the length of the lease (i.e., it needs to be longer). The respondents stated that they think the best thing that can be done to spur economic development via recreation area development is to sell some of the land at Corps sites to private developers.

Their second major point was that decisions concerning how Corps lands ought to be divided up should not be made by the COE. Neither should the COE deal directly with private developers. They would like to see most or all Corps lands transferred or sold to states who would then decide how to divide up the land and establish development guidelines in cooperation with local governments and in accordance with local and state economic development goals. The COE simply does not have the knowledge of local conditions and goals that is needed to determine how recreation lands ought to be developed. Furthermore, the COE cannot think like a private developer, and this is what it needs to do to be able to determine how COE lands can be made into attractive development opportunities for private developers. They commented that it is the job of state and local agencies, not of federal agencies, to pursue development of recreation lands.

One point they kept coming back to was that development on recreation lands must be supported by the economic development of the surrounding areas. They claimed to have had success in bringing this about in the case of Savannah Lakes Village. In this program, as part of the purchase price for the land (land of which the SVA had acquired ownership from the COE), Cooper Communities provided \$2 million, which was used by the Savannah Valley Authority to provide loans to support development in businesses in nearby communities. It was stated that economic development of the surrounding area is necessary for the success of recreation projects; the development of the surrounding community and of recreation lands must go hand in hand. Off-site support needs (e.g., medical, accountants) are important for making recreational sites attractive to developers and should be taken into consideration when devising development plans. There are two key judgments that the responsible public agencies ought to provide: (1) a measure of the public good that will accrue as a result of developing a particular recreational site and (2) an identification of the support facilities/services that will be necessary for the development of a particular recreational site to occur. In short, what are currently Corps lands need to be seen as a resource to be utilized as part of an overall economic development scheme administered at the state and local levels.

By utilizing the above approach, the respondents claimed that the SVA has been very successful in attracting private dollars for the development of recreational areas. They think that hotels, resorts, theme parks, etc., will be most successful if privately owned and run with a minimum of government interference (with the exception of certain environmental protection laws, regional economic goals, etc.). They see no need for grants or subsidies to developers; they believe that if developers are allowed access to recreational lands and a free hand (within, once again, certain guidelines), then economically successful development will occur. One respondent thought that even as little as 10% development of this sort would make COE development projects economically feasible.

Person #2

The respondent representing the Department of Natural Resources in Indiana stated that there are nine reservoirs in Indiana. From the beginning, the DNR has assumed full responsibility for the operation and maintenance of reservoir recreation areas (with the exception of the dam itself, the boat launch ramps, and the water). The financial responsibility for the acquisition and development of these sites has been 50/50. For land purchased jointly with the COE, each side has put up 50%. There is joint planning and development of the site, and each side pays for 50% of the designing and development costs. The DNR is satisfied with this arrangement. The DNR in general is interested in acquiring additional recreation lands, and it is interested in cooperating with the COE as much as it can. There are no specific plans to acquire more recreation lands at this time, although, were it to acquire lands, the COE would prefer to do so through purchase of the property. The DNR is also interested in entering into agreements with the COE to operate and maintain other Corps recreation facilities, although no specific sites were mentioned.

The conditions that would be required for the DNR to take over areas from the COE are those under which they have worked in the past: 50/50 cost-sharing for capital construction only. The COE would not have to split the O&M costs with the DNR. The COE would have to allow the DNR to charge user fees and keep the entire proceeds, but it was stated that they would not mind the stipulation that all such funds stay within the state park system. As far as control of these sites, the DNR must have 100% control over the operation of those areas under its direct jurisdiction. It is not the COE's job to provide O&M or oversee (closely) O&M at these sites. The DNR would accept the requirement that it be required to submit five-year and yearly plans to the COE; however, the DNR does not need the amount of oversight it is getting from the COE at this time. Challenge grants would provide additional incentive for the DNR to take over and manage Corps recreation facilities. No philosophical, financial, or legal constraints are seen that would make it difficult for the DNR to take over COE facilities, with the exception that the DNR is not able to find the state legislature.

The DNR has had some success with private developers on reservoir recreation areas. At Monroe Lake (approximately one hour from Bloomington), there is a destination resort called the Inn at the Four Winds and a privately run marina. The property is leased from the Corps. The only money the state makes from this is from gate fees (this money is reinvested in the project). This development was characterized as successful in that the area is being used, it is still attractive and ecologically healthy, and it is self-sufficient. The presence of the privately run facilities has been the key to making the reservoir self-sufficient. Overall, approximately 75%-80% of the state parks in Indiana are self-sufficient. Some make money (those near population centers or with facilities which attract large numbers of people) and some lose money. Whether a recreation facility loses or makes money is not necessarily a management problem; some facilities are simply not intensive-use areas (e.g., nature preserves, primitive areas). Fifty percent of Indiana's reservoirs are self-sufficient. This is because there are all sorts of things for which you cannot charge a user fee, and in remote areas it would cost more to have people in place to collect fees than they would collect.

An ongoing project with which DNR is very pleased is Patoka Lake. The DNR's approach there has been to divide the area around the lake into different "user areas": part of it is a wildlife preserve (there are eagles here), another part is a state recreation area (picnic areas, campsites, etc.), and a portion is reserved for commercial recreation. The DNR feels that some sort of theme park, wildlife park, or amusement facility is needed in this area to draw people to the reservoir and make it self-sufficient. This land will be leased to private developers; the DNR will not transfer or sell the land to developers. In addition, physical construction and improvements must be approved by both the DNR and the COE. Rates must also be approved by the DNR and COE. The DNR first talked to private developers to determine what sort of development potential this area of the reservoir has, then put out a prospectus to elicit proposals for the site. But nothing has been decided at this time. The thought behind this kind of development is that although every area of the park cannot be all things to all people, the developers can give people most of what they want by providing different use areas in the recreation part.

The DNR has been somewhat successful in offsetting the costs of some of its recreation facilities by leasing some portions of its lands (primarily strips of land) to farmers. The DNR takes cash bids from farmers for the right to plant on these strips. The farmers are required to leave 10% of the crop as food for wildlife. The farmers do not always pay very much for these strips (some of the plots are either difficult to get to or twisting), but there has been steady interest from farmers in planting on these strips. This also helps the DNR to provide adequate feed for animals on its lands.

Person #3

Fairfield Communities had not had much in the way of direct dealings with the COE in the past, although a number of its developments are near Corps lands. Fairfield Communities constructs condominium communities in scenic areas, the units of which are then either sold outright to single individuals, sold on time-share, or rented out. Fairfield is the largest time-share concern in the country. At this time Fairfield is primarily pursuing the development of sites near large tourist cities such as Orlando and Las Vegas.

The respondent did not consider himself to be very familiar with Corps projects. He stated, though, that if Fairfield were to be at all interested in developing Corps lands, it would require the outright sale or transfer of Corps property to Fairfield. A lease of any sort is out of the question. Furthermore, the firm would have to have a free hand in developing the site. The Corps could have some minimal control over the property (e.g., some approval of site planning and the infrastructure) but would for the most part have to allow Fairfield to develop the property in the manner it thinks will allow the development to be profitable. Fairfield would not necessarily require the Corps to provide the infrastructure; this decision would be made on a site-by-site basis. Fairfield would be willing to provide some operation and maintenance of adjoining Corps property if it contributes to the attractiveness of Fairfield's development. Fairfield would be interested in seeing what might be available through the COE, but there would have to be something in it for Fairfield.

The respondent noted some things that keep private developers from being interested in placing developments on Corps lands: the leases are too restrictive (setbacks from beaches being too wide, alcohol restrictions, and lease lengths are the particular things he named). The lease allows the COE too much control over developers and restricts ingenuity and creativity. EPA statements, although a fact of life now, tend to bottleneck development. The failure of the Corps in many cases to have a development plan and study of site potentials in hand prior to accepting bids from developers keeps developers from being interested; a good idea of what sort of development particular sites might be suitable for would make Corps projects more attractive to

private developers. The COE's biggest problem is that it lacks a marketing mentality; the developer/marketer looks at things in a way different from the way in which the COE looks at things.

Persons #4, #19

Two respondents whose business is interested in both a potential private development effort as well as a bait shop concession began working two and one-half years ago with the Corps to try to initiate a project. They note that they "are no further now than they were when they started." This is compounded by a written approval which was later rescinded at the division level.

The respondents describe the approval process as "jumping through a lot of hoops" to the point of having written approval for the project. Later, when checking with the division, they were told that the project was not approved. Thus their recommendation #1 below.

Another situation was reported where a plumber was laying a sewer line and went "over" the line and did not leave enough footage for Corps regulations. The local agent "reamed out" the plumber, the developer, and even went to the 73-year-old owner and "chewed him out" for making the error. They do not believe this to be the type of communication that the Corps desires, and certainly the public does not.

The respondent's view was that the government sets standards at levels so high ("at least double") and redoes studies ("engineering studies until you get what Corps wants") that contractors must bid high because they know the government will be involved, "The way the Corps operates, anything will cost at least twice as much." They cite an example of getting bids on road construction. Their contractor paid \$10,000, and the Corps said that "you can't do the road for less than \$50,000." There were plenty of examples in the area of the reputable contractor's roadwork being of good quality.

They have the perception that if the Corps is in control at the project level, they do a good job. But if the private interest is there, the Corps does not seem to want that and will do anything to dissuade or remove the private interest.

The respondents' observations and recommendations were:

1. The Corps does not have a structure set up for authority to make decisions, and this is especially frustrating when someone at a higher level reverses a decision made at a lower level.
2. If permanent-type work is to be done (trees, road, dredging, etc.), the Corps should participate and contribute.
3. The Corps seems to require private groups to do things the Corps has not done in the past and will not do in the future. They cite an example of an Indian burial area: when the Corps had it, the Corps let 4-wheelers drive over it, but when a private developer wants to use it, the Corps requires fencing, etc. They stated that "first the Corps tries to wait a private interest out to the point that they give up but when they see the private interest is staying in there, they try to 'cost them out' by throwing new requirements in front of them."
4. COMMUNICATION is a major area for improvement both within the Corps itself (people to contact, who knows the rules and regulations, who has what philosophy) and with the public (what is expected up front, what the total process is,

developing a list of "steps to be done" as a starting point). They cited an example of not hearing from the division for several months; and when contacted, were told apologetically that "someone" at the state level had told them they had abandoned the project. They also noted that the Corps had called the governor's office saying that they wanted the project built, but the Corps did not want to do it.

5. Put decisions in local hands of local people who know the project. Omaha is unfamiliar with the situation in this area. Omaha can set the guidelines, but let the local Corps office meet the guidelines. Make sure there is only one group to deal with and not this chain of decision makers.
6. Get clarification on who has what authority when. This would help the concessionaire/developer know ways to proceed and build in necessary information, steps, and resources.

In the private world, if this project, which has gone nowhere in two years could not be worked through the approval process in six months, they would "fire and rehire" because it should not take any longer than six months. Right now they feel they are no further than they were, except they are out considerable money. At the same time, they are not giving up yet.

The Corps appears to have worked so long in a "sheltered world" that it does not know/have private enterprise perspective on what is needed to move forward and accomplish something together.

Before leasing to the private sector, a comprehensive plan of all land in the area and financial plan on how to operate should be prepared by the Corps. This allows review of the potential of the developer to progress positively with the necessary resources and plans in place to meet goals and expectations.

There are many cases when the Corps of Engineers is sincerely interested in public benefit, but the problems with decision making and decisiveness (riding the fence) create frustration.

The state would probably want to have authority to sublease with the private sector.

Potential is there to upgrade facilities. The Corps cannot do this under current program.

The primary problem is that the existing areas the Corps manages are federal responsibility, and, therefore, it seems inappropriate for the state to assume the burden when the state gave up responsibility for downstream users. And there is the obligation not to further tax the population.

The secondary problem is Corps bureaucracy -- which tends to create a lot of hurdles that can slow down the process AND add costs.

Person #5

This respondent's expertise is in concessionaire management at an administrative level. Park Service facilities range from totally concessionaire-run to totally government-run. A Park Service task force is presently evaluating the role of concessionaires. The general feeling is the Park Service may back off concessionaire activity slightly because some private groups are getting too powerful. Most private operations are barely working on the margin. Some corporations put together recreation chains, bus-boat-camping, which get too close to monopolistic situations. The Park Service has a good permitting procedure in place, NPS 48. All aspects of the agreement are

laid out very well, and it has worked quite well up to now. They have found that they need to keep close control of the design/construction process, because private groups tend to cut corners or stray from the theme the Park Service wanted.

Person #6

This respondent runs a restaurant/marina on property leased from the Corps. In his words, "If I had it to do over, I wouldn't. Regulation of the pool elevation and the drought has had a severe impact on business -- only 50 out of 130 slips are in the water. The entire permitting process has been tedious, inefficient, and seemingly never-ending. The Corps leased him 70 acres, but last year the Corps restricted half of it for archeological reasons. He feels the Corps should extract what they need and get off his land. Another example: Someone at the Corps told him he could excavate at 3:1. After he finished, they told him to go back and do it at 2:5:1. Lease conditions have been a constant battle. The local Corps has been fairly cooperative. But when he has to deal with the Corps at the division level and higher, he runs into red-tape and time constraints, all of which hurt business tremendously. He suggests turning over the land to the state and letting the state sell it off. He thinks there is a good opportunity for time-shares, condos, etc. The Corps could provide cheaper power also. He also suggests the Corps avoid across-the-board policies, because supply-and-demand conditions vary greatly from region to region.

Person #7

He is a member of an Indian tribe. A general feeling of prejudice is felt by the Indians. Tribal lands occupy one-third of the reservoir shoreline, and only two Corps recreation facilities have been built on tribal lands. They feel the Corps ignores them and provides no support. One recreation site is surrounded by tribal land, but the Corps leases it to a party other than the tribe. They feel this as a "slap in the face." The Corps does not recognize tribal fishing permits. Cost-benefit-based decisions do not capture the benefits a recreational development on tribal lands would provide to the tribe (alleviate unemployment, and other social problems). The tribe could offer roads, maintenance, archeological expertise, fishing tours, and labor at a recreational facility. They are looking for just one site to start out, then progress from there. The Corps could have a "set aside pot" for the Indians, similar to the Bureau of Reclamation. Other federal agencies have special policies regarding the Indians as well.

Person #8

This respondent has helped a very rural county in the permitting process of development. He suggests that rural counties for the most part do not want/need to be involved in the process. They have neither the expertise nor the financial backing to be a major player. Thus, the Corps should deal directly with the developer or the state. Let nonfederal groups get involved in recreation, but a clear paper trail to attain such an agreement should be established. Furthermore, communication from the Corps needs to be enhanced. There are too many involved parties acting on speculation, where the Corps could clear things up significantly with some communication and well-defined policy. Capital improvements should be cost-shared or provided by the Corps.

Person #9

The Corps has committed itself to providing recreation and should continue to do so. Federal, state, and local recreation facilities at one lake could consolidate. This situation offers prime opportunity for the Corps to give up some land. Some areas are maintained too well. A

subsistence level of maintenance should be determined, thus lowering O&M costs. Maintenance-free facilities can be constructed (e.g., concrete tables). Educational campaigns for "public pride" and cleanliness of parks should be carried out. "Pack-in, Pack-out" slogans will lower O&M needs. Demand for privatization is just not there, recreationists will go to publicly run (the least expensive) parks. It could be considered if demand was there and the public's interest was maintained. Cost-sharing is a good alternative, but a major stumbling block now is that the state is on a biannual budget, and the Corps works on a fiscal budget. The cost-sharing program has to be revamped.

Person #10

This respondent has worked successfully as a state liaison between the Corps and private interest groups for various projects. He believes that there is fear on the part of local Corps of Engineers employees that agreement with any private interest on projects will ultimately result in a loss of jobs.

The respondent observed that there needs to be an ongoing dialogue at the district level in order to work cooperatively and to assure local people they will not be left out in the cold. Also, there needs to be a cost-sharing agreement with the state to develop a team approach, but make sure it does not cost the taxpayers to take over Corps responsibilities. If the actions improve the current situation, the Corps must be willing to contract with the agency to pick up the difference.

Policies need to be clarified and communicated widely. A policy allowing cooperative work now exists, but people seem to either not know it or not "buy it."

This respondent believes that selling Corps lands to the private sector will not work politically and would be a political mistake. Already the public sentiment has been tested to its limits.

Persons #11, #16, #29, #33

These respondents represent the local governments involved in a condominium development process. They do not want to be involved as a player in the negotiations. They do not have the time or expertise to see through the permitting process. The Corps fails to recognize it is dealing with laypersons. Communication is a significant problem -- the local governments simply do not know what to do. A mitigation campground would help the area economically. There is a demand for primitive-to-resortlike recreation, and the new campground will probably be successful. If the Corps would put in a boat ramp(s), the county would provide a road(s). This type of cooperative effort is welcome. Slightly higher fees could be obtained with very little change in demand. Some of the land the Corps bought for the reservoir is not being used. The Corps feels this land should be sold/returned so it can be placed back onto the tax rolls; as it is now, it is just barren land.

Person #12

This subject was familiar with the operation of one state-chartered development authority and explained the history of the organization and its current situation and functioning. The concept for the authority was that it would obtain the master lease from the Corps and oversee infrastructure investment (roads and beaches). Then the parts of the operation with the most profit potential would be offered to private enterprises. These would pay a percentage of their gross receipts to the authority.

In the event the sublease turned out to be small, undercapitalized firms that could not handle the rough spots caused, for example, by adverse weather patterns could receive support. Of the original eight subleased from 1976, only two are still operating at the authority's development, and one of those is in Chapter 11. (The respondent felt that using bid price as the sole determinant of choice among potential lessees removed the authority's chance to look over the full set of relevant characteristics.)

The authority has gone to annual licenses for concessionaires in an attempt to keep their own flexibility to change operators. At the same time, they have been willing to build facilities to be used by concessionaires to cut down on the concessionaire's up-front capital costs.

There was, in any case, no stampede to bid for the facility leases. The respondent attributed this in some large part to a reluctance on the part of potential operators to deal with bureaucratic red tape. For example, even though the authority had the master list, all arrangements made under that instrument were, in principle, subject to two approval requirements -- the authority and the Corps. (In practice this has turned out to be largely a formality.)

The authority has not so far been able to become self-supporting -- defined as covering all operating and maintenance costs out of revenue. (But not, significantly, including the necessity of covering the costs of the initial infrastructure investment.) A consultant has persuaded the authority, which in turn has persuaded the state, that the addition of a second hotel and another golf course would provide enough additional revenue not only to cover the new capital and operating costs but also to make up the operating deficit of the existing facilities. The second hotel is now operating, and it remains to be seen what will happen.

The annual budget for the authority is currently about \$14 million and it employs on average over four hundred people. The original lease was for fifty years. It was re-extended to fifty years from 1987. The state of Georgia has \$40 million (in early 1970 dollars) invested in infrastructure. There is substantial Corps money as well.

Overall, the relationship of the authority with the Corps has been extremely good, though he mentioned areas that could be problems in other places or with other personalities. For example:

- The lease-flooding clause
- Permission to serve alcohol
- Regulation of rates charged by subleased
- Corps approval of structural investments

He emphasized that in some cases the Corps was as useful as a gorilla in the closet -- for example, in protecting trees and shorelines from developers who would impose external costs on other users.

The authority's experience suggests that resort development is a tough game. The respondent said that this development is a destination (as opposed to a day-use) resort. Roughly 75% of revenues come from the two hotels. The development is roughly forty-five minutes from downtown Atlanta and perhaps an hour from the Atlanta airport. In his view, a hour is a long way for a successful major resort. Overall, he felt the Corps was probably sitting on some major opportunities, but that the Corps would need to reduce its restrictions on what private enterprises can do.

Person #13

This respondent observed that there is a high level of desire for development along the Missouri River. He was on the 1986 South Dakota Tourism Task Force. He notes that the private sector is applauding the effort to develop cooperation and will share a copy of the USTTA task force report regarding ownership of public lands.

Water levels are causing problems, and it appears there are plans for opposition from the city of Mobridge. Current policies were developed for the 1940s and 1950s, when there was little or no priority for recreation relative to navigation, and they need to be brought up-to-date.

The area is now in the worst drought since dams were constructed, but this could be reversed if the operations manual could be revised.

If the Corps is serious about partnerships, then it must speed up the decision-making process and give priority to being decisive.

There are currently no criteria to follow when working on proposals, therefore, every single time the Corps is given a proposal, it must be measured against some past action. Set some guidelines and criteria to move forward.

Person #14

This respondent's involvement with the Corps has primarily been in connection with the State Film Commission, with whom he worked before coming to head up tourism development. The Film Commission's dealings with the COE concerned the making of films promoting reservoirs in the state. His current department, the Department of Economic and Community Development, seeks only to act as a catalyst for economic and community development. In this capacity it does seek to promote and market Corps facilities. It has no interest in operating or maintaining recreation lands. Neither does it at this time lease lands from the Corps.

Currently, however, the Department of Economic and Community Development is considering acquiring 6,000 acres of lakeside land (by lease, not purchase or transfer of ownership) from the Corps for the purposes of bringing in a development by Cooper Communities. The land would be run by a state authority, and then the developer would return to the state rent or lease based upon the fair market value of the land. According to the respondent, they are primarily looking at sites close to a major metro area of a neighboring state. However, this is as far as the development plan has been taken at this time. No site has been selected or master plan developed. It is still in the very early planning stages.

Persons #17, #24, #28

According to one respondent, 55% of the recreation areas operated by the state are on sites leased from the Corps. From the beginning, he stated, there has been a sharing of operation and maintenance costs with the Corps.

One point this respondent emphasized is that the goal of state parks is not to make money. The design changes necessary to make them profitable, he claimed, would detract from their attractiveness. He expressed concerns over what would happen to the quality of already developed recreation lands if private developers and concessionaires are allowed to operate on Corps lands. He felt that there is not enough motivation for private industry to keep the lands and facilities in top shape. Any privatization must be designed into the development plan for a recreation area from the very beginning and must be carefully controlled. Another concern he

expressed is for the loss of revenue for the state. At this time, the only revenues the state collects from its recreation lands are fees for the use of specific facilities (conference centers, campsites, etc.) and sales. These provide 60% of operating funds for recreation areas (the remaining 40% comes from legislature). He thinks that it does not make sense for the state or Corps to retain many of the expenses of upkeep yet give away the moneymaking end of it to private industry. He sees this as taking money out of the park system instead of keeping it there to fund and maintain parks. "If there is money to be made by a park system, it ought to be retained by the park system to reduce the tax burden" (i.e., the money that the legislature has to provide for operation and maintenance of parks over and above what the parks bring in). He also observed that some business people in his state had expressed unfair competition between preexisting businesses and those on Corps lands.

The same respondent stated that a real limitation on the ability of the state to take over the development, operation, and maintenance of Corps lands is financial. For example, his agency does not have the front-end money for construction. Concerning the possibility of some other agency taking over the operation of Corps lands, he stated that all the Corps parks he knows of are very well run; there is no way that any other agency could do it more efficiently or cheaply than the Corps does now. He feels that the Corps had originally promised to provide operation and maintenance for its recreation areas in the state and that it needs to fulfill that promise. If change is necessary, though, he thinks that a state agency would be best suited to provide O&M at Corps areas. He has no objections to the Corps leasing lands or facilities to other public agencies whose jurisdictions overlap or are contiguous with his agency's.

He further said that the state is interested in obtaining leases on additional Corps lands, but the Corps would have to provide maintenance, housing for the park employees, etc. He did say that the state would be willing to split the costs of any needed new facilities or repairs, but it would be difficult for his agency to get such money from the legislation, which is where the money would have to come from. Also, the state would not take over Corps lands just to take them over. Any area the state takes over would have to genuinely further its goal of providing recreational opportunities for the people of the state. For example, if there were Corps lands available in an area with few or no state parks available, then the state would be interested in leasing some land from the Corps. However, even if an area needs a state park, the state is not always able to provide it. He noted that he had had fourteen requests for new state parks in the last year, but the legislature was simply unable to provide the money for them. He did express some interest in the possibility of the Corps simply transferring ownership of some of its property to the state.

The group collectively did see great potential benefits from further cooperative ventures between the Corps and the state. For example, they would like to see visitor centers and interpretative facilities run as cooperative ventures between various state and federal agencies. This would not have to involve any money changing hands among the agencies involved. The cooperative venture would simply be each group doing what it can with its own resources. Areas of responsibilities would be determined by agreement among the groups.

One respondent did suggest that the Corps could save money by selling recreation equipment (especially movable equipment) from closed-down recreational sites to local recreational providers rather than simply bulldozing the equipment as it does now. It would even be cheaper to give the equipment away rather than bulldoze it (and the Corps would get some valuable PR exposure).

Person #18

The respondent runs the operation of the Park Service concessionaire program. They use planning guide, NPS 48. Nationwide in 1988, there were \$480 million in concessionaire revenue,

about a 9.2% return on investment. In the Northwest it is difficult for concessionaires because of the short season (three to four months). Therefore, the Park Service subsidizes their operation. They do not want their concessionaires to fail -- they work with them. They have had to be creative about getting funding through OMB.

Person #20

Involvement of this respondent with the October 1988 pre-bid meeting was solely in connection with the search for a developer connection. He has had a great deal of experience with Corps projects, but almost entirely at military bases; almost none with the recreation side of the Corps. He has done a lot of recreation/resort architecture and engineering work but not for the Corps.

His only really relevant comments were: (1) the Corps District Office has large responsibilities other than recreation; and (2) developers do not read the Commerce Business Daily. If the Corps wants to contact them, it has to use their professional periodicals.

Persons #21, #35

These two work at the state capitol and represent the prevailing views of the governor's office. They are "ready and willing" to come to (almost) any agreement with the Corps on recreation. The state is convinced that recreation is crucial to its growth. It now receives very little benefit from the Missouri River Projects; thus recreational opportunities are "owed to them." Stumbling blocks to this point have been policy conflicts, communication problems, and a lack of a clear-cut procedure to come to any type of agreement. A high degree of frustration has been experienced, and they feel it is because the Corps itself is not sure what it wants to do. Facility level personnel are sometimes difficult because they feel their jobs are at stake. Developers are discouraged because of the long red-tape process. If the Corps was serious about nonfederal participation, it could make the process easier. They suggest the Corps offer conditional approval so developers can get to the next step. Another suggestion is to require a bond put aside for reclamation should an endeavor go under. This would alleviate the Corps' fear of abandoned projects.

Person #22

A cost-share agreement requiring capital and O&M funds, as the present policy dictates, is not considered attractive. In the 1970s the Corps required considerably less financial commitment from the nonfederal partner. This state will open up five new parks by 2010, and taking over a Corps site could be a good alternative. The state would certainly be willing to go into a partnership. They have some land next to Corps land that they would like to run, but the Corps does not seem interested. Whenever the Corps is involved, red tape slows up things tremendously. They have a few concessionaires, but they keep very close tabs on them -- they are treated more like employees than lessees. The Corps needs to recognize that it is an integral part of the nation's recreation, and should put some time and money into it. In other words, the Corps needs to show commitment to recreation.

Person #23

This subject is the director of the State Board on Tourism. The state found river development to be the chief opportunity for tourism and economic development in the state. Increased demand for recreational facilities has been experienced in the past twenty years and is expected to continue. In dealing with the Corps, communication has been the major problem. It

is virtually impossible for rural area governments to deal with the Corps directly. The problem is a combination of unnecessarily long and unclear permitting procedures and individual personalities at various levels in the Corps. When dealing with the Corps, the prevailing attitude is "prepare to be frustrated." As the nation's major recreation supplier, the Corps should concentrate more on hospitality training. It was also suggested that more flexibility be permitted in the leasing agreements.

Person #25

As a representative of a major regional developer of a resort complex, this respondent has a definite interest over time in the private recreational development along the Missouri River in the state. The firm operates resorts and has been involved with development projects on publicly owned recreation lands.

He cited an example of a problem wherein a Corps person, who fears for position or activity, starts spreading "horror stories" to campers to generate major letter-writing campaigns.

A developer does not currently have options (development tools) available because of federal land regulations, for example, inability to get ownership of land. This provides a "Catch 22" wherein the developer tries to get leasing, but there are restrictions and clauses, and when presented to lending institutions, there is reluctance to get funds for lack of permanency. Getting money is extremely hard for the lodging industry. The Corps should look at thirty-year windows and not just brief five-year windows. It takes time to line up and recoup investment money.

In addition, developers must invest six-figure amounts on major projects before they have an idea if they are going to be able to even get a lease. Clarify as much as possible before the project starts so that, later, the Corps does not "dig out surprises" (for example, later lowering water level excessively and not informing people).

If the Corps wants to retain control, it should allow the public to buy time-shares where contracts specifically state the public can own X amount of time. A big incentive for cooperation would be to allow for time-shares and private ownership that fits within the leasing of facilities.

When bidding gets too complex, the Corps gets poor-quality bids or no bids.

Observations/Recommendations

1. It has been helpful to have a point of contact with the Corps who knows related information or can track down specific information.
2. The bureaucracy of the Corps appears to have sets of regulations and rules which are used to the benefit of the Corps on an "as needed" basis. The Corps seems to have its own interpretation of the various policies, regulations, etc., and these are used only at critical times to move against a project.
3. Would like to work with the Corps on a project with the approach that when there is a problem, the team asks, "What is stopping this at this point?" and works to move on from there. This is especially important when many stops do not make sense. It appears that the Corps applies a different set of rules for developers, than to itself, and it is extremely difficult to get answers. This in turn gives the definite impression that the Corps does not want to work with developers.
4. Persistency is about the only thing that seems to get a project through the Corps of Engineers.

5. Put a project under one (functional) area, not so many different areas within the Corps; and turn projects over to the state level or perhaps even to the local level. Somewhere so the project does not "disappear" into Washington DC. "Surely the Corps would like to get rid of all the hassle of projects" and turn it over to state or a special area within the Corps.
6. Improve communication. There are situations where the Corps communication process is quite weak, one hand does not know what the other is doing. Cited were instances of press releases noting Corps announcements that Corps projects were going to close.
7. Improve attitude. There is a "protect your own butt" attitude within the Corps. Personnel appear to follow the letter of the policy statement and follow that policy instead of taking a "How do we work together to make this happen?" attitude. Everyone appears to be afraid that because of the Public Disclosure Act, information about a project will come back to haunt them. Therefore, working with the Corps on a development is bogged down in the minutiae of regulations.
8. This person visualized working with the Corps on a development project as trying to move a big cube up a hill, where lack of information, poor communication, lack of knowledge about rules and regulations (often used against the developer), and people/turf/personalities are the edges and corners that impede any movement whatsoever. The only lubricant is people trying to make things happen.
9. Set and communicate parameters at the beginning of a project. Develop a list of government standards "up front."
10. Establish one place to go for rules and regulations; if rules are not pertinent, be able to obtain an exception. Make this a "central clearinghouse" that does not have to play politics, and staff it with quality people and quality guidelines to ensure a quality level of results.
11. Establish rules and regulations for NOW and the FUTURE. Too many rules are for "dinosaurs," the effects of which are felt all up and down the river (e.g., shipping coal via trains versus barges with water traffic and water level problems). The world has changed in the last forty to fifty years! What are the new priorities?
12. Advertise where the trade people read, for example, national association listings and national publications -- not just in local newspapers, which the major players may be not reading.
13. Make things clear and make things simple -- the government and the people will get a better deal.
14. Go outside the Corps and find developer(s) to discuss recreation alternatives; the subsequent insights will prove mutually advantageous.

Person #26

The respondent stated that his firm had been involved with the Corps for approximately six years since its founding in 1981. His firm performed preliminary studies for the waterway management center at the Columbus Lock and Dam on the Tombigbee River and designed the buildings and interiors. At the Aliceville Lock and Dam (near Aliceville, Alabama), his firm

designed the visitor's center and oversaw the construction phase. His firm also helped to develop the master plan for the Blue Bluff Resort Complex in Monroe County, Mississippi (attached). The involvement his firm has had with Corps projects is limited in that it did not engage in the operation and management of sites. However, he rates himself as very familiar with Corps recreation operation.

He stated that, overall, he had found the Corps to be a knowledgeable, interested, and helpful client. One major difficulty for the Corps, as far as its ability to cut expenses, is its inefficiency. However, he thought that, to a large degree, system "corruption" would make it difficult to improve efficiency. One area of operation that he thinks could be improved is its process for accepting bids from private industry. He stated that, at this time, the process takes too long and that this provides a disincentive to private industry. He suggested that the process might be reduced from the present two-review system to a single, careful review. He also characterized the procedure whereby the Corps awards projects as "capricious," stating that there seems to be no consistency. According to him, the Corps oftentimes ignores companies with proven track records and familiarity with the Corps, in favor of less experienced and less capable companies. He sees the primary problem as resting with the first level of selection. He states that the initial "weeding out" of bids is done by people without a knowledge base appropriate to making informed decisions. He stated that the Corps could best increase its efficiency and learn what appeals to private developers by interviewing large developers (he mentioned Marriott). He stated that "this would probably teach them a lot." The Corps could hire developers as consultants with an eye toward finding ways to streamline its procedures and make Corps projects more attractive to private developers.

He stated that the Corps needs to pay greater attention to market considerations too. He observed that it often misjudges the private market's ability to bear development and maintenance costs. Many of the sites that the Corps wishes private industry to develop and maintain are too remote, would require large capital investment with low chance of adequate return, and are too high risk for most private developers to be seriously interested in undertaking their development. A prohibitive factor in many areas of his state, for example, is the absence of infrastructure (roads, sewers, etc.). However, he felt that, in at least some cases, the infrastructure problem could be worked out by the Corps through agreements with local government. He suggested that the Corps hire private developers as consultants to make reasonable cost estimates and to suggest what sorts of development can reasonably be expected by private developers. As an example of the way the Corps should proceed, he gave me a copy of a study done for the Blue Staff Resort Complex.

One idea that he thinks could strongly entice private developers to take on projects on Corps land is a grant program similar to Community Development Block Grants. He noted that such a program had helped rebuild downtowns across the nation, and he thinks that this would help induce private developers to develop and maintain Corps lands. He thinks that this is better than direct government subsidies, since it does not directly involve government money. The money for these grants would come from banks and be guaranteed by the government.

He strongly advocates increased involvement of state and local governments in the development, operation, and maintenance of Corps lands. For one thing, the success of resorts, hotels, marinas, etc., on Corps lands depends to a large degree upon the economic condition of the surrounding area. Local and state governments are best equipped to work with private developers and the Corps to secure economic development for areas around Corps lands. He also thinks that state and local governments would be very happy to gain some control over Corps lands since some of them are prime real estate. Some sort of cooperative arrangement between the Corps and state and local governments (or between private developers and state and local governments), which could be beneficial to all concerned, could probably be worked out. The Corps should more aggressively seek the involvement of state and local governments.

Person #27

The respondent works as an executive director with a development corporation involving seven communities and two tribal nations. He perceives the state area to be economically slow. Future trends all point to tourism as an economic tool -- and the cultural history of the area is one key to attracting the tourist population. He has had a successful experience with a Native American "Loop" at the Big Bend Dam which has increased visitation 33% in one year. People drive off of the interstate to visit various cultural sites and activities along the route. He has had a situation with a Corps person who was giving out confidential information in an attempt to "sabotage" and close down other projects.

Observations/Recommendations

1. Get the Corps to decide its policies, goals, and directions; then put quality people in place who support those goals and let them monitor performance.
2. Things will not work if the Corps permits one person to control use and stops the public from enjoying what is already theirs.
3. Develop a fairer policy for the entire length of the Missouri River. No one region should be depressed because of another region's goals (referring to draw down of reservoir levels for downstream navigation).
4. People in the Corps who built the river management system had a "vision" -- they left the natural beauty and did not spoil it with concrete and they are to be commended. So leave it that way and do not spoil it in the future.
5. Need a quality liaison person from the Corps who is knowledgeable, personable, informed has a noncaustic personality, and is a team player. Give the information to everyone. As it is now, people are not even comfortable asking the Corps person to attend critical meetings.

Person #30

The respondent has conducted academic and project-type research for the Corps, but mainly for the Forest Service. The Corps has defined a safe, predictable recreational opportunity which plays an important role. The problem is that the Corp's general mind-set is fairly uncreative in terms of recreation management. An "engineer's attitude" exists which is maintenance-oriented. The militaristic agency culture is very visible in the Corps. As recreation providers, the Corps needs to concentrate on trying to hire recreation specialists who know the recreation industry and know how to provide service. This has to be defined at the bottom and enforced at the top. Offering privatization opportunities would shakeup the traditional Corps thinking as well as increase efficiency. The Corps could cut costs through more efficient O&M practices.

Person #31

There are positive examples: i.e., at the Lewis & Clark Res., the private sector, the state of South Dakota, and the Corps worked very well. Spring Creek could easily be improved for a more positive result. Also, the proposed River Ranch (which will eventually be done) will be successful.

However, he mentioned a situation in which the state leased a recreation area. During a storm, high winds and wave action devastated the area, eroding forty to fifty feet of shoreline

overnight. In essence, it was a natural disaster. The state did not have resources to fix it, but the Corps called and said, "You leased it. It is your responsibility to repair!" But the state does not control the water level, and the state did not have the money to rebuild. Corps management of the reservoir level was not adequate in the circumstances. He warned that it was necessary to watch out for the Corps "looking the other way" and showing favoritism with concessionaires.

He cited as examples of inconsistency:

1. It took two and one-half years for a development on private land, across the fence from Corps access, to get a road and a simple gate for access to the property. The Corps regulations and the person overseeing this were unbelievable.
2. A concessionaire had an exclusive right to sell gas, but big boats could not make it to the docks to gas up. However, wholesalers could provide the gas to the boats through long hoses at 40 cents per gallon cheaper. There was a confrontation with the concessionaire on the "exclusive" right to sell. The Corps was far too protective of the concessionaire.

Observations/Recommendations

The Corps does a good job providing the BASICS of recreation, private groups are much better at providing such things as hotels, etc.

Frequently the Corps seems to hide behind protecting wildlife and natural areas for the good of the public when a private contractor is wanting to come in -- but in reality the public would be better served when private groups are allowed to come in and work together.

It appears that if the Corps does not want to do something, it will bring up new ideas and requirements to stop or slow it down.

When the Corps is managing a project and does not require its own people to do something, why does the Corps expect others to take the responsibility. Examples were given of 4-wheelers driving over a Corps-managed area. The Corps did not do anything to stop or control them, but when private interest is discussing it, the Corps expects others to take care of the problem. Thus, the Corps should not demand, under a new lease, something the Corps itself was not practicing.

Another simple recommendation, improve communication and consistency in doing things.

Person #32

When we explained the purpose of the interview and the source of his name (the October 1988 private sector initiative meeting), the subject reacted very strongly).

The meeting was "a joke" because:

- The Corps had not done its homework, by which he explained he meant market analysis, thinking about site assets and liabilities, and setting out at least a general site plan.
- The Corps had not targeted the proper developers -- corporations or individuals with access to major amounts of investment capital. (This subject's estimate was that of the twenty to fifty attendees, five or fewer were even developers. The rest were "sharks" cruising in search of work within a developed consortium.)

Much of the rest of the interview was taken up with discussion of alternative approaches to involving the private sector, with emphasis on the role of state-established "development authorities." Specific examples mentioned were:

- Lake Lanier Islands Development Authority in Georgia.
- The Savannah River Authority (SVA), a creature of South Carolina. He described attending a meeting the previous evening to discuss a possible feasibility study for a 3,000-acre tract being assembled by the SVA from Corps and private lands. He also mentioned Savannah Lakes Village, a multiple-use development for which SVA was the catalyst, including arranging for public infrastructure investment.

The subject felt these authorities could serve an important buffering and filtering function between the private sector and the Corps bureaucracy.

He also mentioned a Mississippi initiative to put JP Coleman State Park on the Tennessee waterway into private hands.

Person #34

The respondent has extensive knowledge of Corps recreation. He did his master's thesis on it in 1983. Recreational demand has increased constantly, and the Corps has gradually been reducing its staff and contracting work to the outside. Considerable time and effort is put into determining whether Corps staff or contractors should operate and maintain Corps areas. An overall budget cut came down from OMB, and the Corps cut recreation the most. In many instances leases are broken, and areas sit vacant because nobody wants to take them over within that jurisdiction. In the Northwest, most of the prime recreational sites are run by nonfederal groups. The Corps needs to take the attitude of a partner rather than a dictator. Private groups, in general, have a difficult time because the recreation season is very short. Starting in the Southeast and moving Northwest, more opportunities for privatization exist in the Southeast because the Corps owns more of the recreational lands. Going to the Northwest, Corps lands compete with Forest Service, Park Service, Bureau of Reclamation lands. This supply of public land makes privatization difficult.

Person #37

Before working at the Park Service, the respondent was employed by the Corps. Reasonable fees for general recreation would likely be accepted by the public. O&M efficiency could be improved by designing maintenance-free facilities, hiring contractors to pick up garbage, etc. Most local governments do not have the financial stability to get into a lease agreement for O&M of a recreation facility. Therefore, agreements at the state level should be focused upon. Privatization would be a good alternative as long as the public is allowed access. The opportunities in the Northwest for private ventures are limited because of the tremendous supply. The Corps has more of an engineering mentality, where the Park Service has a wildlife and recreation mentality. The Corps should concentrate on public relations in recreation.

Persons #38, #39, #40, #41

As district personnel, these individuals have extensive experience with recreation at Corps facilities. Generally, they have had good success with cooperative agreements involving state and local governments and private groups. Several instances were named where private groups

requested development on Corps lands and were denied. In many cases the private group developed on land adjacent to the Corps lands and are quite successful. This group felt well-designed privatization agreements would enhance recreation and cut Corps costs extensively. One suggestion was to allow a developer to develop a site on a Corps lake with the agreement that they would maintain the rest of the lake area (e.g., pick up garbage at hiking areas, maintain access roads.) There was a very strong feeling that the Corps should allow more decisions to be made at the district level. Too many decisions are contingent upon approval from personnel higher up in the Corps who are removed from the actual recreation climate of the region. They suggested this would also help with the ever-present red-tape problems. Cost-sharing arrangements are simply not working, possibly because they have to go through the Secretary of Defense's office. They felt recreation programs in their district could be run at close to "no-cost" if they had the flexibility to run things as they saw fit. There needs to be a structure developed in which innovative ideas can be tried. The Corps could develop a "model district" to test out new ideas and arrangements for recreation management.

Person #42

This individual, a planner for the Corps, is familiar with concessionaire-related decisions concerning Corps facilities. An interdisciplinary team develops the master plan for each site. Proper land allocation is the main intent. Once high- and low-use recreation lands are defined, a decision is made whether second- or third-party involvement would be beneficial. A general market study is conducted to see if demand for recreation development exists. Existing concessionaires are protected -- the Corps will not allow further development unless it feels enough demand exists to keep all existing groups in business. The Corps cost-sharing agreement has never been used in the district (since the existence of the program.) The state of Missouri was interested but backed out at the last minute. The overall relationship with state/local governments has been favorable. The Corps would welcome increased recreational interest from state government.

Person #43

This person has extensive experience in concessionaire planning for the Corps. He has been involved in market studies. The Corps is involved in private development, but under the present arrangement (Corps policy/mind-set), not much more could be done in this area. The emphasis has been mainly with marinas; resort development has received little attention. The general agency feeling is to preserve and maintain a pristine shoreline. It will be difficult to shake this attitude, therefore private groups must be brought into the scene while maintaining a high level of environmental quality. This can be done, but it will take some thought. A general policy change which looks favorably upon privatization needs to be implemented. The Corps and other involved parties should tread carefully -- many recreation operations are marginal, and many state/local recreation budgets are peaked out. Leases should be designed which cause revenues to be invested back into the site.

Person #44

This person owns/runs a resort development on a Corps lake. His lease agreement is through the state, who is leasing it from the Corps for a state park. The difference between dealing with the Corps and the state has been incredible. He finds the Corps to be very unbusinesslike, and the state to be very cooperative to his business needs. The Corps has displayed a painful lack of expertise concerning private development issues. Cooperation has been a big problem -- the Corps maintains a "we want" rather than "how can we help" attitude. Regulations that seem unfair have been a hinderance, for example, gas tank regulations that

pertain to him but not to the farmer across the road; regulating his hotel rates based upon TVA rates. The state advertised for bids and provided \$3 million incentive for start up. Since he was awarded the lease, the state has been very cooperative, and he feels he is working with them (versus against them). His chief recommendation to the Corps is to hire personnel who have experience in private industry. The state, for example, has hired a mortgage-financing expert to design and carry out its leasing agreements.

APPENDIX B

NASHVILLE WORKSHOP QUESTIONNAIRE

Name: _____ Office Symbol/Project: _____ Phone: _____

Circle: 1 OCE 1 Natural Resources
2 Division 2 Planning
3 District 3 Real Estate
4 Project 4 Other: _____
5 Other: _____

Extensive experience with the following project(s) related to this set of options:

- 1.
- 2.

+Opportunities
- Constraints
with comments

5 Hi to 1 Low
Rating

(H, M, O)
Experience

Rec \$

Strawman

I. WAYS TO INCREASE PRIVATE AND
NON-FEDERAL INVOLVEMENT.

A. Reduce the restrictions on the type
and location of private exclusive
use in conjunction with public
recreation and charge a realistic fee
for that use.

B. Allow residential
developments on Corps owned
lands.

C. Engage in economic promotion and
marketing to encourage
private/non-federal entities to lease
recreation areas which are capable
of earning a profit.

D. Use Corps resources to develop a
regional promotion program for the
region/area/lake/park.

+Opportunities
- Constraints
with comments

5 HI to 1 Low
Rating

(H, M, O)
Experience

Rec \$

Strawman

E. Liberal partnership and/or cost sharing - (Public law 89-72, "Federal Water Project Recreation Act", requires the Corps to obtain a non-federal public entity to share 50/50 in the costs of developing recreation facilities and requires the non-federal entity to operate and maintain those recreation facilities. Although the act applies to projects authorized after 1965, several past administrations have applied the cost-sharing and operation and maintenance (O&M) requirements to any new developments at pre 1965 projects.)

F. Ease the cost sharing restrictions on development, pay back, types of facilities, potential sponsors, etc.

G. Offer low interest, long-term Federal loans for private/non-federal entity to develop public recreational facilities on Corps lands/waters.

H. Lease out lands for public recreation and then construct all or part of the infrastructure including roads, parking lots, boat ramps and sanitary facilities (which usually constitutes the largest initial capital expenditures).

+Opportunities
-Constraints
with comments

5 Hi to 1 Low
Rating

(H, M, O)
Experience

Strawman

Rec \$

I. Seek legislative authority to acquire land to facilitate recreation development under eminent domain to provide a private/non-federal entity with adequate land and location to engage in profitable public recreation activities.

J. Provide leasing incentives.

K. Lengthen the term of the lease to allow long-term financing.

L. Eliminate or reduce current restrictions on types of recreation lessees may provide on Corps property.

M. Relax the Corps 14 day camping restriction.

N. Allow groups/associations etc. who operate parks to charge discriminatory fees to members to encourage those groups to take over recreation area.

O. Encourage college or university to run park(s) using students who are gaining college credits and/or money from their efforts, i.e. graduate assistants/interns, etc.

P. Encourage "members only" recreational developments when members pay the O&M

+Opportunities
- Constraints
with comments

5 HI to 1 Low
Rating

(H, M, O)
Experience

Rec \$

Strawman

Q. Allow inclusion of several recreation areas in a single lease instrument.

R. Foster regional and/or local organizations to promote individual lakes or regions.

S. Liability Insurance. The high cost of liability insurance for non-Federal public and private entities providing recreational and other services discourages their assumption of Federal areas. Congressional statute should be recommended to limit their liability and encourage their operation of Federal properties.

T. Rental rebates. Although the regulatory constraint of a graduated rental system was addressed by the Strawman, rental rebates could be offered to Corps concessionaires who also provide non-revenue producing recreation activities.

U. Funded cost-share program. One of the Divisions made a strong case for a well-funded cost-share program with which the Corps could respond when potential cost-share partners come forward.

+Opportunities
- Constraints
with comments

5 Hi to 1 Low
Rating

(H, M, 0)
Experience

Rec \$

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Strawman

V. Rent-to-own. Develop a
"rent-to-own" plan for current
Corps operated areas that would
encourage small business interests
to take over Corps operated areas.

Additional Options:

W.

X.

Y.

Z.

Additional Comments:

Name: _____ Office Symbol/Project: _____ Phone: _____

- Circle:
- | | | | |
|---|--------------|---|-------------------|
| 1 | OCE | 1 | Natural Resources |
| 2 | Division | 2 | Planning |
| 3 | District | 3 | Real Estate |
| 4 | Project | 4 | Other: _____ |
| 5 | Other: _____ | | |

Extensive experience with the following project(s) related to this set of options:

- 1.
- 2.

+Opportunities
- Constraints
with comments

(H, M, O)
Experience

5 HI to 1 Low
Rating

Rec \$

Strawman

II. INCREASE REVENUES.

A. Implement nationwide reservation system.

B. Charge a variable rate for camping sites depending on location and amount of use.

C. Expand the Corps authority to include charging for day use fees.

D. Charge for what we have been giving away, such as:

1. Access for hunting, fishing or trapping.

2. Boat licenses (require each boat on Corps lake to have Corps boat license).

+Opportunities
- Constraints
with comments

5 Hi to 1 Low
Rating

(H, M, O)
Experience

Rec \$

Strawman

3. Firewood
4. Expand the number of commercial activities allowed on Corps lands and water, and charge for all those activities.
5. Charge for certain ranger activities such as off-site presentations, interpretive tours, programs, etc.
- E. Eliminate the free camping requirement.
- F. Develop special event areas and charges.
- G. Reduce restrictions to encourage or allow concerts and other non-water related special events to be held on Corps property for a fee.
- H. Have the Corps purchase recreation equipment.
- I. Charge rent for use of Corps facilities such as auditoriums, amphitheaters, etc.
- J. Allow the sale of items the Corps could offer and traditionally has not sold (Must guard against unfair competition.)

+Opportunities
- Constraints
with comments

5 Hi to 1 Low
Rating

(H, M, O)
Experience

Rec \$

Strawman

1. Loosen restrictions on concession stands in public recreation areas for sales of ice, beer, soft drinks, etc.
 2. Sell visitor survey information, zip codes, etc.
 3. Sale of merchandise (T-shirts, brochures, etc.)
 4. Sell recyclable materials from the public use of Corps lands.
- K. Return of revenue to Corps from concessions, leases, etc.
- L. Charge a realistically equitable fee for the processing of permits, lease, and license applications.
- M. Promote our recreation areas nationally/internationally to increase visitation and income.
- N. Charge for recreational boats going through locks.
- O. Establish Corps membership campgrounds nationwide (Castle Club) where all members would pay a fee and receive ID card which would allow free admittance and a reduced use fee.

Strawman

+Opportunities
- Constraints
with comments

(H, M, O)
Experience

5 Hi to 1 Low
Rating

Rec \$

--	--

P. Golden Age and Golden Eagle Passports. Increase revenues through fees associated with these programs. One-time administrative fees could be charged for issuing passports. A change in regs to allow for half price on the basic fee, but full price on hookup charges (especially electricity), would help increase Corps revenue and at same time be fair to card holder.

Q. Shoreline use permits. Shoreline management regulations were identified by the Strawman as regulatory constraints, but a revenue enhancing idea was put forward to charge fees for shoreline use permits based on the fair market value in the local area.

R. Concession rents. Start charging any commercial concession operating on Corps-owned lands, including state parks, etc., rent for the privilege of operating a money-making venture on Federal property. Rent monies should then be returned to the project.

+Opportunities
- Constraints
with comments

5 HI to 1 Low
Rating

(H, M, O)
Experience

Strawman

Rec \$

--	--

S. Sell advertising. Sell advertising space in Corps-produced publications such as lake brochures. Another suggestion was encouraging concessionaires to advertise in Corps brochures, which would help offset the brochure printing costs to the Corps and improve sales and rentals for the concessionaire.

T. SRUF funds. Allow SRUF funds to be utilized for the hiring of personnel only at the field project where they are generated and without counting against FTE ceilings.

U. Gambling. Allow riverboat gambling as a means of increasing revenues to the Corps and dedicating the funds to the recreation O&M program.

V. Lottery tickets. Allow the sale of state lottery tickets at concessions. This would increase the concessionaire's revenue and the return to the Corps. Another suggestion was for Corps park attendants to sell the lottery tickets.

+Opportunities
- Constraints
with comments

5 HI to 1 Low
Rating

(H, M, O)
Experience

Strawman

Rec	\$
-----	----

W. White water releases. The Corps currently cooperates with clubs and outfitters by providing white water releases from dams when not interfering with another Corps mission. When releases meet the needs of a particular group, fees could be charged to recoup costs.

X. Itinerary planning. Service to campers for a fee.

Y. 1-900-Number. Initiate a 1-900-FEE number for campground information.

Additional Options:

Z.

AA.

AB.

AC.

AD.

Additional Comments:

Name: _____ Office Symbol/Project: _____ Phone: _____

Circle:

- | | | | |
|---|--------------|---|-------------------|
| 1 | OCE | 1 | Natural Resources |
| 2 | Division | 2 | Planning |
| 3 | District | 3 | Real Estate |
| 4 | Project | 4 | Other: _____ |
| 5 | Other: _____ | | |

Extensive experience with the following project(s) related to this set of options:

1. _____
2. _____

+Opportunities
- Constraints
with comments

Strawman

III. BUDGET AUGMENTATION (with
Non-appropriated Funds).

- A. Develop a program to solicit nationwide voluntary contributions and donations.
- B. Encourage sponsorships to promote corporate and/or individual financing of public recreation sites for which sponsor gets special acknowledgement.
- C. Develop challenge grants program for large corporations to pledge material, money, and/or labor matched by federal contribution to accomplish a specific task.
- D. Conduct land sales with receipts going to recreation O&M.

(H, M, O)
Experience

5 HI to 1 Low
Rating

Rec \$

--	--

Strawman

(H, M, O)
Experience

5 Hi to 1 Low
Rating

+Opportunities
-Constraints
with comments

Rec \$

E. Establish Corps recreation trust to provide monies for public recreation.

F. Organic Act. Legislation for a recreation and natural resource management organic act was recommended, with one objective being that the Corps would become eligible for Land and Water Conservation Fund disbursements.

G. Excise taxes. The Corps could seek legislation that would provide an excise tax on the sale of major pieces of recreational equipment such as recreational vehicles or motorboats.

H. Fees from other project purposes. Suggestion made that the Corps charge additional fees for hydro-power generation, aquatic plant control, etc., and dedicating the revenues to recreation programs.

I. Armed services involvement. The Corps could make available to the military unused, developed areas in exchange for contributions toward O&M costs.

J. Prisoners, juvenile offenders. Greater use of juvenile offenders to perform maintenance and repair work at Corps recreation areas.

+Opportunities
- Constraints
with comments

5 III to 1 Low
Rating

(II, M, O)
Experience

Rec \$

--	--

Strawman

K. CETA Program. Comprehensive Educational Training Act (CETA) functions in many localities, employing disadvantaged youths for summer months in various public works-related projects. Make greater use of this program for summer maintenance activities.

Additional Options:

- L.
- M.
- N.
- O.
- P.

Additional Comments:

Name: _____

Office Symbol/Project: _____

Phone: _____

Circle:

- | | |
|----------------|---------------------|
| 1 OCE | 1 Natural Resources |
| 2 Division | 2 Planning |
| 3 District | 3 Real Estate |
| 4 Project | 4 Other: _____ |
| 5 Other: _____ | |

Extensive experience with the following project(s) related to this set of options:

1. _____
2. _____

+Opportunities
- Constraints
with comments

Strawman

(H, M, O)
Experience

IV. OPERATION & MAINTENANCE
EFFICIENCIES.

A. Initiate peer review process.

B. Allow on-site manager to
determine where all of his/her
money goes. "Authority equal to
responsibility".

C. Swap out recreation areas with
other agencies to facilitate
maintenance and management
efforts.

D. Re-organize for more efficient
operation.

E. Adopt a "one stop outgrant
service" which authorizes local
manager to issue licenses/permits
for all outgrants.

Rec \$

--	--

+Opportunities
- Constraints
with comments

5 Hi to 1 Low
Rating

(H, M, O)
Experience

Rec \$

Strawman

F. Reduce the frequency of in-house inspections.

G. Monitor facility use levels and conduct visitor preference survey and eliminate unwanted facilities and services. Provide more facilities wanted by the visiting public.

H. Encourage and fund consolidation/renovation of facilities to improve or eliminate inefficient recreation areas.

I. Encourage the increased use of volunteers and remove the restrictions considering their handling of money and use of vehicles.

J. Institute adopt-a-park programs.

K. Encourage professionalizing and improve human resource management.

L. Visitor centers. Visitor centers could be closed on a seasonal basis.

M. Minor concessions. Advertise, without the necessity of a feasibility study, for minor concessions in parks such as snack bars, soda machines, ice machines, camp stores, etc.

+Opportunities
- Constraints
with comments

5 HI to 1 Low
Rating

(H, M, O)
Experience

Rec \$

--	--

Strawman

N. Commercial activities program.
This program involves determining the economic feasibility of contracting various O&M responsibilities (e.g., lawn maintenance) to non-Corps commercial operators.

O. Cost-sharing agreements.
Eliminate the requirement for the ASA to approve cost-sharing agreements under \$25,000, allowing on-site personnel greater management control.

P. Signage. Authorize ordering officers to procure recreation signs from vendors other than Federal Prison Industries when the vendor's price is less than the FPI price. Greater on-site management would lead to greater efficiency.

Q. Retirement payment. At retirement time, the Corps could make a cash payment to all employees for their unused sick leave. This would increase organizational productivity.

R. Self collection of camping fees.
Self-explanatory.

S. Division management. Consider delegation of approval from HQUSACE to the Division office on all aspects of the recreation program.

+Opportunities
- Constraints
with comments

5 HI to 1 Low
Rating

(II, M, O)
Experience

Rec \$

--	--

Strawman

Additional Options:

T.

U.

V.

W.

Additional Comments:

Name: _____

Office Symbol/Project _____

Phone: _____

Circle:

- | | |
|----------------|---------------------|
| 1 OCE | 1 Natural Resources |
| 2 Division | 2 Planning |
| 3 District | 3 Real Estate |
| 4 Project | 4 Other: _____ |
| 5 Other: _____ | |

Extensive experience with the following project(s) related to this set of options:

1. _____
2. _____

Strawman

V. INCREASED RECREATION OPPORTUNITIES.

A. Provide test sites for experimental recreation i.e. demonstration projects.

B. Allow more local community type recreation facilities (tennis courts, swimming pools, etc.).

C. When demand warrants, reopen closed areas and renovate for Corps/private/non-federal takeover.

D. Assist in the promotion of regional economic development.

E. Cooperate with the local business community.

+Opportunities
- Constraints
with comments

(H, M, O)
Experience

5 Hi to 1 Low
Rating

Rec \$

--	--

+Opportunities
-Constraints
with comments

5 Hi to 1 Low
Rating

(H, M, O)
Experience

Rec \$

--	--

Strawman

F. Emphasize research support programs.

G. Corps-sponsored event. Market and promote Corps recreation areas to increase visitation and income. One step further would be for the agency as a whole to sponsor a regional or national event, like the Postal Service is sponsoring the Olympics.

H. American Youth Hostels. The Corps could conduct a nationwide survey to identify buildings available for conversion to hostels. This would enhance recreation opportunities and save the costs of renovation, maintenance, removal, and demolition of Corps properties.

Additional Options:

I.

J.

K.

L.

M.

Additional Comments:

APPENDIX C

REGIONAL PUBLIC WORKSHOPS SUGGESTIONS EVALUATION PACKET

**CORPS OF ENGINEERS RECREATION STUDY
REGIONAL WORKSHOP**

Suggestions Evaluation Packet

AFFILIATION: Please check below the one category that best describes the organization, agency, or group that you are representing today:

- ☐ USER/USER GROUP/LAKE ASSOCIATION
- ☐ ENVIRONMENTAL/CONSERVATION ORGANIZATION
- ☐ CONCESSIONAIRE WITH CORPS
- ☐ RESORT DEVELOPER/OPERATOR
- ☐ RECREATION BUSINESS/INDUSTRY
- ☐ CHAMBER OF COMMERCE/TOURISM ASSOCIATION
- ☐ CITY/COUNTY OR REGIONAL GOVERNMENT
- ☐ STATE GOVERNMENT
- ☐ FEDERAL GOVERNMENT
- ☐ ACADEMIC COMMUNITY
- ☐ OTHER: Please specify _____

**EVALUATION
SCALE:**

The following scale should be used when evaluating suggestions within this packet:

"The Corps . . .	DS	=	Definitely Should
	S	=	Should
	N	=	Neutral
	SN	=	Should Not
	DSN	=	Definitely Should Not

SUGGESTIONS CATEGORY: RESOURCE AUGMENTATION

"The Corps . . .

- | | | | | | | |
|----|---|---|----|-----|-----|---|
| DS | S | N | SN | DSN | 1. | Increase the use of supplemental labor sources. |
| DS | S | N | SN | DSN | 2. | Increase the use of prisoners or juvenile offenders. |
| DS | S | N | SN | DSN | 3. | Increase the use of programs for the handicapped. |
| DS | S | N | SN | DSN | 4. | Increase the use of volunteers. |
| DS | S | N | SN | DSN | 5. | Actively seek donations. |
| DS | S | N | SN | DSN | 6. | Seek supplemental funding sources. |
| DS | S | N | SN | DSN | 7. | Participate in recreation trust funds. |
| DS | S | N | SN | DSN | 8. | Support excise taxes on recreation equipment. |
| DS | S | N | SN | DSN | 9. | Direct revenues from hydropower sales to support recreation programs. |
| DS | S | N | SN | DSN | 10. | |
| DS | S | N | SN | DSN | 11. | |
| DS | S | N | SN | DSN | 12. | |
| DS | S | N | SN | DSN | 13. | |
| DS | S | N | SN | DSN | 14. | |

SUGGESTIONS CATEGORY: INCREASE FEES

"The Corps . . .

DS	S	N	SN	DSN	15.	Increase recreation fees.
DS	S	N	SN	DSN	16.	Increase <u>existing</u> recreation use fees.
DS	S	N	SN	DSN	17.	Reduce Golden Age/Access discounts.
DS	S	N	SN	DSN	18.	Eliminate requirement for free campgrounds.
DS	S	N	SN	DSN	19.	Charge for all recreation use.
DS	S	N	SN	DSN	20.	Charge for recreation craft lockages.
DS	S	N	SN	DSN	21.	Charge for hunting.
DS	S	N	SN	DSN	22.	Charge for fishing and boating.
DS	S	N	SN	DSN	23.	Relax 14-day camping limitation.
DS	S	N	SN	DSN	24.	Increase outgrant revenues (leases, licenses, permits).
DS	S	N	SN	DSN	25.	Charge fair market value for all recreation outgrants.
DS	S	N	SN	DSN	26.	Charge fair market value for lakeshore use permits.
DS	S	N	SN	DSN	27.	Reduce restrictions on private exclusive use.
DS	S	N	SN	DSN	28.	Allow gambling in accordance with state and local laws.
DS	S	N	SN	DSN	29.	Allow sale of lottery tickets in accordance with state and local laws.

"The Corps . . .

DS	S	N	SN	DSN	30.	Increase sales.
DS	S	N	SN	DSN	31.	Sell merchandise.
DS	S	N	SN	DSN	32.	Sell land.
DS	S	N	SN	DSN	33.	Sell artifacts.
DS	S	N	SN	DSN	34.	Seek legislation for a Federal Recreation Lottery.
DS	S	N	SN	DSN	35.	
DS	S	N	SN	DSN	36.	
DS	S	N	SN	DSN	37.	
DS	S	N	SN	DSN	38.	
DS	S	N	SN	DSN	39.	

SOLUTIONS CATEGORY: INCREASE NON-FEDERAL PUBLIC INVOLVEMENT

"The Corps . . .

- | | | | | | | |
|----|---|---|----|-----|-----|--|
| DS | S | N | SN | DSN | 40. | Provide financial incentives to encourage non-Federal public agencies to provide recreation at Corps projects. |
| DS | S | N | SN | DSN | 41. | Provide developmental incentives. |
| DS | S | N | SN | DSN | 42. | Allow Federal cost-sharing on a wider range of facilities. |
| DS | S | N | SN | DSN | 43. | Provide additional facilities at Federal cost to encourage greater non-Federal operation and maintenance. |
| DS | S | N | SN | DSN | 44. | Improve existing facilities at Federal cost to encourage greater non-Federal operation and maintenance. |
| DS | S | N | SN | DSN | 45. | Provide lease incentives. |
| DS | S | N | SN | DSN | 46. | Allow more flexibility in leasing. |
| DS | S | N | SN | DSN | 47. | Reduce recreation cost-sharing "red tape." |
| DS | S | N | SN | DSN | 48. | Transfer Corps lands to non-Federal public agencies in exchange for development and/or management of Corps recreation areas. |
| DS | S | N | SN | DSN | 49. | Encourage leases or cooperative agreements with qualified colleges and universities. |
| DS | S | N | SN | DSN | 50. | |
| DS | S | N | SN | DSN | 51. | |
| DS | S | N | SN | DSN | 52. | |
| DS | S | N | SN | DSN | 53. | |
| DS | S | N | SN | DSN | 54. | |

SUGGESTIONS CATEGORY: INCREASE PRIVATE INVOLVEMENT

"The Corps . . .

- | | | | | | |
|----|---|---|----|-----|---|
| DS | S | N | SN | DSN | 55. Provide financial incentives. |
| DS | S | N | SN | DSN | 56. Allow cost-sharing with private sector developers. |
| DS | S | N | SN | DSN | 57. Encourage development through low-cost, long term loans. |
| DS | S | N | SN | DSN | 58. Subsidize rentals through rebates to the concessionaire. |
| DS | S | N | SN | DSN | 59. Provide tax incentives. |
| DS | S | N | SN | DSN | 60. Provide developmental incentives. |
| DS | S | N | SN | DSN | 61. Transfer Corps lands to developers in exchange for development and/or management of recreation areas. |
| DS | S | N | SN | DSN | 62. Fund and/or conduct experimental and research studies, provide test sites for demonstration projects, and conduct market studies. |
| DS | S | N | SN | DSN | 63. Acquire land adjacent to recreation area to make the entire site attractive to potential developers. |
| DS | S | N | SN | DSN | 64. Provide lease incentives. |
| DS | S | N | SN | DSN | 65. Relax lease restrictions on recreation development by the private sector. |
| DS | S | N | SN | DSN | 66. Allow private exclusive use in conjunction with private recreation development. |

"The Corps . . .

DS S N SN DSN 67.

DS S N SN DSN 68.

DS S N SN DSN 69.

DS S N SN DSN 70.

DS S N SN DSN 71.

IN SUMMARY . . .

72. Do you consider the goals of this study obtainable with the implementation of some combination of the suggestions provided?

☐ Yes ☐ No

In order to attain the goals of this study through implementation of the suggestions,

"The Corps . . .

DS S N SN DSN 73. Maintain the current mix of recreation management responsibilities between the Corps and other public and private entities at Corps projects.

DS S N SN DSN 74. Increase non-Federal public and/or private recreation responsibility at Corps projects.

DS S N SN DSN 75. Increase Corps recreation management responsibility at its projects through increased fees.

DS S N SN DSN 76.

Additional Comments:

Thank you for your assistance. Please return this evaluation packet before departing.

**U.S. ARMY CORPS OF ENGINEERS
RECREATION STUDY**

VOLUME II: APPENDIX J

Economic Impacts of Recreation

ECONOMIC IMPACT ANALYSIS AS A TOOL
IN RECREATION PROGRAM EVALUATION

BY

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PREFACE

This study was authorized by Headquarters, U.S. Army Corps of Engineers and was funded by the Natural Resources Technical Support (NRTS) Program and the U.S. Army Engineer, Institute for Water Resources. The report was prepared by Mr. R. Scott Jackson, Environmental Laboratory (EL), U.S. Army Engineer Waterways Experiment Station (WES), Dr. Daniel J. Stynes and Dr. Dennis Propst, Department of Park and Recreation Resources, Michigan State University, and Dr. L. Eric Siverts, Timber/Land Management Staff, USDA Forest Service.

The work was performed under the direct supervision of Mr. H. Roger Hamilton, Chief, Resource Analysis Group, (RAG) and under the general supervision of Dr. Conrad J. Kirby, Chief, Environmental Resources Division, and Dr. John Harrison, Chief EL. Mr. J. Lewis Decell was Program Manager, Environmental Resources Research and Assistance Programs. Ms. M. Kathleen Perales, RAG, and Ms. Tere DeMoss, RAG, provided technical support in the production of the report. Technical reviewers were Dr. A. J. Anderson, EL, and Mr. John Titre, RAG. The report was edited by Mr. Bobby Baylot, EL.

Commander and Director of WES during the preparation of this report was COL Larry B. Fulton, EN. The Technical Director was Dr. Robert W. Whalin.

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ECONOMIC IMPACT ANALYSIS AS A TOOL IN RECREATION PROGRAM EVALUATION

INTRODUCTION

Increased emphasis has recently been placed on the participation of non-federal sectors in providing recreation opportunities at Corps of Engineers water resource development projects. This initiative requires consideration of values important to public and private recreation program partners at the state and local level. While over 40 percent of recreation areas on Corps projects are managed by non-federal groups, the agency continues to seek increased participation by non-federal partners to accommodate increased demand for recreation resources. Many regions of the United States depend, to varying degrees, on recreational expenditures as an important source of economic activity (Alward 1986, President's Commission on Americans Outdoors). Local leaders have therefore placed an increased importance on public recreation opportunities as an essential ingredient in maintaining economic development through economic activity stimulated by visitor spending. The purpose of this paper is to describe and demonstrate a procedure for determining the economic effects of Corps of Engineers recreation programs for use as a basis for dialogue with public and private non-federal interests.

The Corps of Engineers has traditionally evaluated planned recreation development in terms of direct benefits to the visitor as defined in the National Economic Development Account of the Water Resources Council's Principles and Guidelines (U.S. Water Resources Council 1983). Net benefits included in this type of analysis are defined as the total amount an individual is willing to pay to engage in a recreational activity minus the cost incurred by the visitor to participate in that activity. The unit day, travel cost, and contingent valuation are accepted methods for measuring user benefits. Each method is appropriate for specific applications depending on the level of accuracy needed, availability of data, and planning questions being addressed (Walsh 1986). However, these procedures ignore the impacts to local and regional economies stemming from expenditures made by recreation visitors. These expenditures are important to non-federal interests when evaluating their potential "return" on investment in recreation programs.

ECONOMIC IMPACT ANALYSIS

The economic effects of recreation use associated with Corps projects can be viewed as the income and employment businesses derive as a direct or indirect result of spending by visitors to Corps projects. *Direct* effects include income and employment

resulting from direct spending by visitors on goods and services required to engage in recreation activities, for instance, the retail purchase of a boat. To meet the increased demand for boats resulting from such sales, boating manufacturers will purchase materials and labor; shipping companies will purchase labor, trucks, gasoline and other supplies; and boat dealers will purchase labor and supplies in support of their retail sales activities. The income and employment resulting from these secondary purchases are the *indirect* effects of the retail purchase of boats. The income of employees directly and indirectly supporting the sale of boats increases as a result of each boat sold. In turn, this employee income is used to purchase goods and services, and the resulting increased economic activity from employee income is the *induced* effect of the purchase of a boat. Using this example, the sum of direct, indirect, and induced effects fully describes the economic effect of the purchase of a boat. Economic Input-Output (I-O) models are commonly used to predict what the total level of regional economic activity would be resulting from a change in direct spending.

Input-Output (I-O) analysis can assist decision-making by providing insights as to how various programs affect regional economies. By tracing spending effects throughout an economy, the extent to which various economic sectors are affected can be determined. When trying to integrate a program or project into an economy it is important to determine who will and who will not benefit from it. Using I-O analysis, a decision-maker is able to predict the effects of various changes in policy or agency expenditures on local economies. This gives the decision-maker the ability to evaluate the potential economic effects of policy alternatives and communicate the potential impacts to local interests.

In order to accurately assess the economic effects of recreation policy alternatives it is also necessary to determine how recreation use patterns and resulting visitor spending would change from current conditions in response to the policy alternative. Recreation demand models are commonly used to translate changes in recreation development, resources, and policies into changes in the amount, composition and distribution of recreation use required in the I-O analysis process. Figure 1 illustrates the process and associated tasks for assessing the economic effects of recreation policy alternatives.

MEASURING THE ECONOMIC EFFECTS OF THE LAKE SHELBYVILLE RECREATION PROGRAM

The process of assessing the economic effects of recreation use will be illustrated through an application at Lake Shelbyville, IL. The application will identify the economic effects of the existing recreation program on three regions; the two counties (Shelby and Moultrie) in which Lake Shelbyville is located, the State of Illinois, and the United States. In addition, the economic effects of the hypothetical development of a 200-unit campground will be examined.

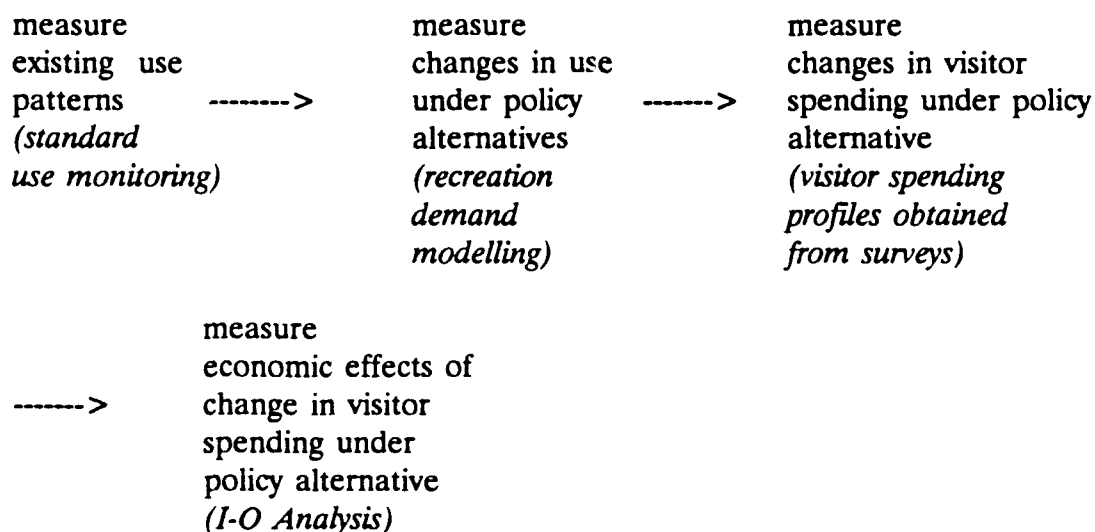


Figure 1. Process for Assessing the Economic Effects of Recreation Policy Alternatives

Lake Shelbyville, an 11,000-acre multipurpose reservoir in central Illinois, was constructed on the Kaskaskia River in 1970 to provide flood control, navigation, water supply, and recreation benefits. There are a total of 16 public recreation areas at Lake Shelbyville operated by the Corps and the Illinois Department of Conservation. These areas provide facilities for camping, boating, swimming, hunting, and a variety of other water-related recreation activities. In addition, three commercial marinas operate on the lake. In June 1989 Eagle Creek Resort was opened to the public. The resort includes a 136-room hotel and associated meeting rooms and conference facilities.

MEASURING VISITOR USE

The first step in assessing recreation economic effects is to measure the amount of recreation use associated with the lake. Recreation use is described in terms of user groups (i.e. day users, campers, and hotel guests) that possess homogeneous spending patterns. Defining use in this way facilitates accurate estimates of total visitor spending.

In 1989 approximately 1.1 million groups engaged in recreation at Lake Shelbyville. The vast majority of visitors (97.1 percent) participated in day use activities, while 1.8 percent camped and 1.1 percent of the visitor groups stayed at the Eagle Creek Resort hotel (estimates of use and visitor spending at the Eagle Creek Resort hotel were based on use statistics for June 1989 through May 1990).

Important to the analysis of economic impacts is the origin of visitors in relation to the regions being studied. This is necessary to distinguish visitors bringing "new" dollars into the region from visitors who live within the region and are retaining money that already exists in the region. The majority of visitors to Lake Shelbyville live in close proximity to the lake. Eighty percent of all visitors lived in the local region of Shelby and Moultrie counties, 19.9 percent lived in Illinois (outside of the local region), and only a small proportion (0.1 percent) of all visitors originated from outside Illinois. Table 1 presents a summary of recreation use at Lake Shelbyville.

Table 1. 1989 Estimated Lake Shelbyville Recreation Use

User Group*	Local Region	Nonlocal Illinois	Outside Illinois	Total
Day Users	870,149	188,427	0	1,058,576
Campers	938	17,222	976	19,136
Eagle Creek Hotel **	606	11,133	631	12,370
Total	871,693	216,782	1,607	1,090,082

* All use statistics are reported in party trips

** Eagle Creek use was reported for June 1989 through May 1990

MEASURING VISITOR SPENDING

A key step in assessing economic impacts is the development of visitor expenditure profiles. An expenditure profile is a series of mean expenditure rates, derived from visitor surveys, for individual goods and services either purchased during a recreation trip or purchased for use on a recreation trip. Visitor spending can be divided into two broad categories. The first category includes goods and services purchased and consumed during a single trip. These expenses are known as trip expenses. The second category includes durable goods, such as boats and camping equipment, that are purchased and used on many trips. Since durable goods are used over a period of time on multiple recreation trips, the total amount spent on such items must be adjusted downward to reflect usage solely at Lake Shelbyville. These adjustment procedures will be discussed later.

To develop both trip and durable goods expenditure profiles, a sample survey was conducted at Lake Shelbyville from July 25 to September 15, 1989. Data collection procedures included a combination of personal, on-site interviews and mailback questionnaires. The interview locations were recreation areas within the Corps' project boundary. These sites were randomly sampled to represent both temporal use patterns (month of the year, day of the week, time of day) and type of use (day vs. overnight, boating vs. nonboating). Trained interviewers conducted personal interviews with visitors as they were completing their visit to Lake Shelbyville. During the interviews, visitors provided recreation activity information, durable good spending estimates, and trip characteristics. To obtain trip spending information, visitors were asked to complete a questionnaire and return it by mail as soon as possible after returning to their permanent residence. A total of 290 groups were contacted in the survey. The response rate for the on-site interview was 92 percent and for the mailback questionnaire 57 percent. This yielded 267 on-site interviews and 165 mailback questionnaires.

A summary of trip expenditure profiles for Lake Shelbyville visitors is presented as Table 2. This table shows the means and standard errors of visitor expenditures for 10 aggregated categories of spending. Finally, Table 2 shows the proportion of spending that occurred within the local region (within 30 miles of Lake Shelbyville) and total trip spending. The average of local regional spending by the 165 groups was \$88.80 per trip. The standard error of this mean was \$11.77. Thus it is appropriate to conclude, with 95 percent confidence, that the true mean lies between \$65.26 and \$112.34 per group per trip. The largest proportion of spending occurred within the food and beverage category where local visitors spent an average of \$27.38 per group per trip. Figure 2 displays the distribution of total trip spending by major spending category.

Improved accuracy in estimating visitor spending can be achieved by dividing visitors into groups possessing relatively homogeneous spending patterns. Figure 3 illustrates the differences in spending patterns between three groups of Lake Shelbyville visitors surveyed (i.e. day users, campers, hotel visitors). At \$248 per trip, hotel visitors spent six times that of the average day user. While some of the differences in spending between hotel visitors and day users can be attributed to the longer length of the hotel visitor's trip, the higher cost of hotel accommodations alone resulted in hotel visitors spending significantly more per trip than campers. Table 3 shows the distribution of visitor spending for the three major user groups at Lake Shelbyville. Mean expenditures for disaggregated spending categories for each user group were used to represent visitor spending required in subsequent estimates of total visitor spending and input-output analysis. Spending by user groups were further divided into groups living inside and outside the local two-county region. As was previously discussed, this allows the distinction to be made between the import of new dollars into the region and the retention of money already in the region.

Table 2. Trip Spending per Party per Trip, Shelbyville (in 1989 dollars)

Description of Spending category	Mean	Standard error	Percent of in region	Percent of total
<u>Totals by region of spending</u>				
Total w/in 30 miles	88.80	11.77		80
Total outside 30 miles	21.56	4.36		20
Grand Total	110.36	12.98		100
<u>Totals by major spending category (within and outside local region)</u>				
Lodging	19.59	4.47		18
Food & beverages	35.27	3.88		32
Auto & RV	22.13	5.81		20
Airline	1.23	1.20		1
Boat	16.61	2.74		15
Fish	2.43	0.64		2
Hunt	0.00	0.00		0
Entertainment	2.70	1.38		2
Misc.	7.80	3.01		7
Other	2.61	0.86		2
<u>Spending by major category within local region</u>				
Lodging	18.21	3.99	21	17
Food & beverages	27.38	3.39	31	25
Auto & RV	17.44	5.79	20	16
Airline	0.00	0.00	0	0
Boat	15.46	2.70	17	14
Fish	2.41	0.64	3	2
Hunt	0.00	0.00	0	0
Entertainment	1.45	0.82	2	1
Misc.	4.30	1.41	5	4
Other	2.15	0.77	2	2
<u>Spending by major category outside local region</u>				
Lodging	1.38	0.84	6	1
Food & beverages	7.88	1.57	37	7
Auto & RV	4.69	0.78	22	4
Airline	1.23	1.20	6	1
Boat	1.15	0.48	5	1
Fish	0.02	0.02	0	0
Hunt	0.00	0.00	0	0
Entertainment	1.25	0.80	6	1
Misc.	3.50	2.69	16	3
Other	0.46	0.40	2	0

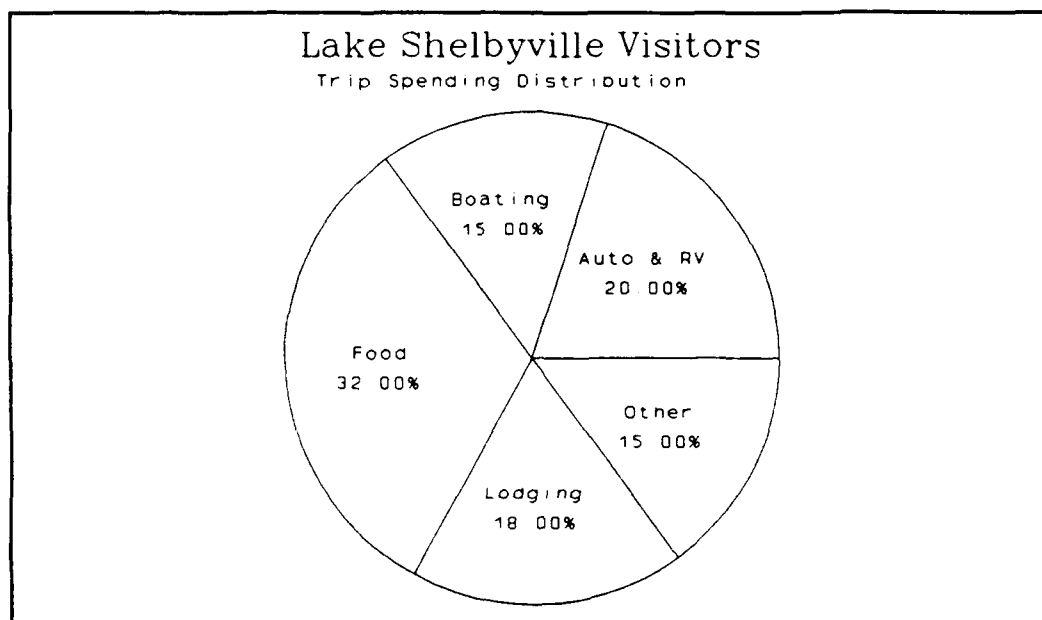


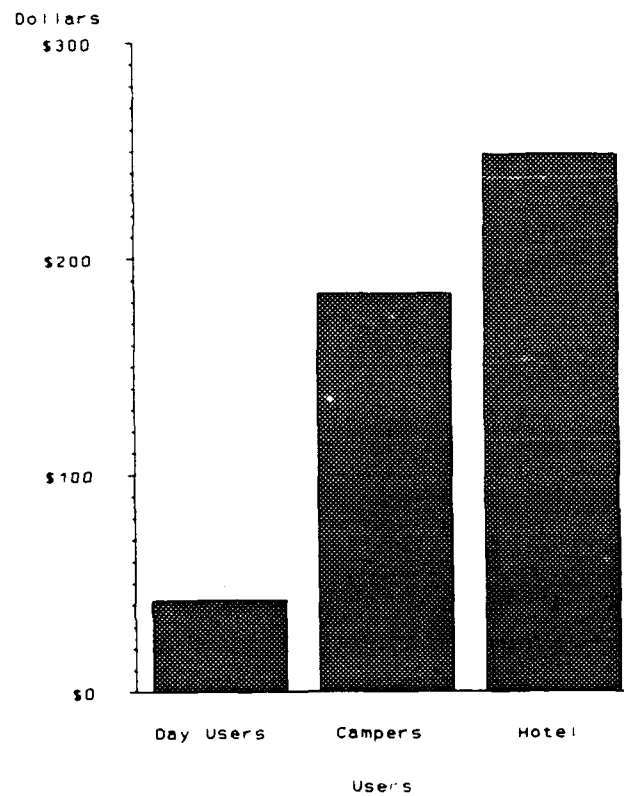
Figure 2. Trip Spending by Category.

Total visitor trip spending was calculated by multiplying visitor use estimates for day users, campers, and hotel visitors from Table 1 by their corresponding expenditure profile presented in Table 3. Table 4 presents these products, or total visitor trip spending for each user group by visitor origin and spending location. As the table shows, a total of over 54 million dollars was spent by Lake Shelbyville visitors on trip expenses. The majority of trip spending, 32.9 million dollars, was made in the local region by Illinois day users (25.5 million within and 7.4 million outside the local region). Imported spending into the local region by visitors living outside the region was an important share of visitor spending, constituting 12.1 million dollars (11.85 million nonlocal Illinois plus .25 million outside Illinois) or 22 percent of all spending. Figure 4 illustrates how local spending is distributed between local and nonlocal visitors. Figure 5 presents the distribution of spending among user groups.

Table 5 presents a summary of durable good spending as reported in the on-site survey. The 267 survey respondents reported purchases of 668 items that cost approximately 1.9 million dollars. Boats and related equipment purchases accounted for most of the spending. Camping equipment including trailers and motorhomes was the second highest spending category. The average visitor reported spending \$7,244 for all durable goods used on that trip of which \$720 was spent in the last year.

Lake Shelbyville Trip Spending

by User Group*



*Spending was reported on a party trip basis

Figure 3. Trip Spending Profile by User Group.

Table 3. Trip Spending per Party per Trip by User Group, Shelbyville (in 1989 dollars)

	Visitors from beyond 30 miles			Local visitors		
	DAY	HOTEL	CAMP	DAY	HOTEL	CAMP
N OF CASES	13	25	21	85	6	12
PCT	8	15	13	52	4	7
-----average spending per party per trip-----						
<u>Totals by region of spending</u>						
Total w/in 30 miles	39.31	188.76	136.10	29.29	267.33	187.33
Total outside 30 miles	64.15	54.12	39.14	3.56	5.00	11.08
Grand Total	103.46	242.88	175.24	32.86	272.33	198.42
<u>Totals by major spending category (within and outside local region)</u>						
Lodging	9.23	75.00	29.38	0.54	28.00	33.83
Food & beverages	32.08	83.36	60.86	9.38	88.00	45.58
Auto & RV	8.15	29.00	35.81	8.27	25.83	97.33
Airline	0.00	7.92	0.00	0.06	0.00	0.00
Boat	11.38	30.80	21.86	8.36	86.83	6.33
Fish	0.00	2.40	4.33	1.32	18.33	1.08
Hunt	0.00	0.00	0.00	0.00	0.00	0.00
Entertainment	8.62	4.00	0.00	2.38	5.33	0.00
Misc.	34.00	9.20	12.90	0.33	20.00	14.25
Other	0.00	1.20	10.10	2.22	0.00	0.00
<u>Spending by major category within local region</u>						
Lodging	9.23	68.64	27.19	0.27	28.00	33.83
Food & beverages	21.69	62.68	39.95	8.41	84.67	38.92
Auto & RV	2.08	16.08	24.76	7.40	24.17	93.92
Airline	0.00	0.00	0.00	0.00	0.00	0.00
Boat	6.15	29.16	21.86	7.86	86.83	5.33
Fish	0.00	2.28	4.33	1.32	18.33	1.08
Hunt	0.00	0.00	0.00	0.00	0.00	0.00
Entertainment	0.00	2.80	0.00	1.61	5.33	0.00
Misc.	0.15	5.92	11.00	0.33	20.00	14.25
Other	0.00	1.20	7.00	2.09	0.00	0.00
<u>Spending by major category outside local region</u>						
Lodging	0.00	6.36	2.19	0.27	0.00	0.00
Food & beverages	10.38	20.68	20.90	0.96	3.33	6.67
Auto & RV	6.08	12.92	11.05	0.87	1.67	3.42
Airline	0.00	7.92	0.00	0.06	0.00	0.00
Boat	5.23	1.64	0.00	0.51	0.00	1.00
Fish	0.00	0.12	0.00	0.00	0.00	0.00
Hunt	0.00	0.00	0.00	0.00	0.00	0.00
Entertainment	8.62	1.20	0.00	0.76	0.00	0.00
Misc.	33.85	3.28	1.90	0.00	0.00	0.00
Other	0.00	0.00	3.10	0.13	0.00	0.00

Table 4. Total 1989 Trip Spending by Lake Shelbyville Visitors (in dollars)

ORIGIN OF VISITOR	LOCATION OF SPENDING			
	Local Region	Nonlocal Illinois	Outside Illinois	Total
Local Region				
Day users	25,486,664	3,097,730	0	28,584,394
Campers	175,715	10,393	0	186,108
Hotel	162,001	3,030	0	165,031
Total	25,824,380	3,111,153	0	28,935,533
Nonlocal Illinois				
Day users	7,407,065	12,087,592	0	19,494,657
Campers	2,343,914	674,069	0	3,017,983
Hotel	2,101,465	602,517	0	2,703,982
Total	11,852,444	13,364,178	0	25,216,622
Outside Illinois				
Day users	0	0	0	0
Campers	132,833	19,100*	19,100*	171,033
Hotel	119,107	17,074*	17,074*	153,255
Total	251,940	36,174	36,174	324,288
GRAND TOTAL	37,928,764	16,511,505	36,174	54,476,443

* For visitors originating outside Illinois one half of nonlocal spending was allocated to nonlocal Illinois and one half to outside Illinois.

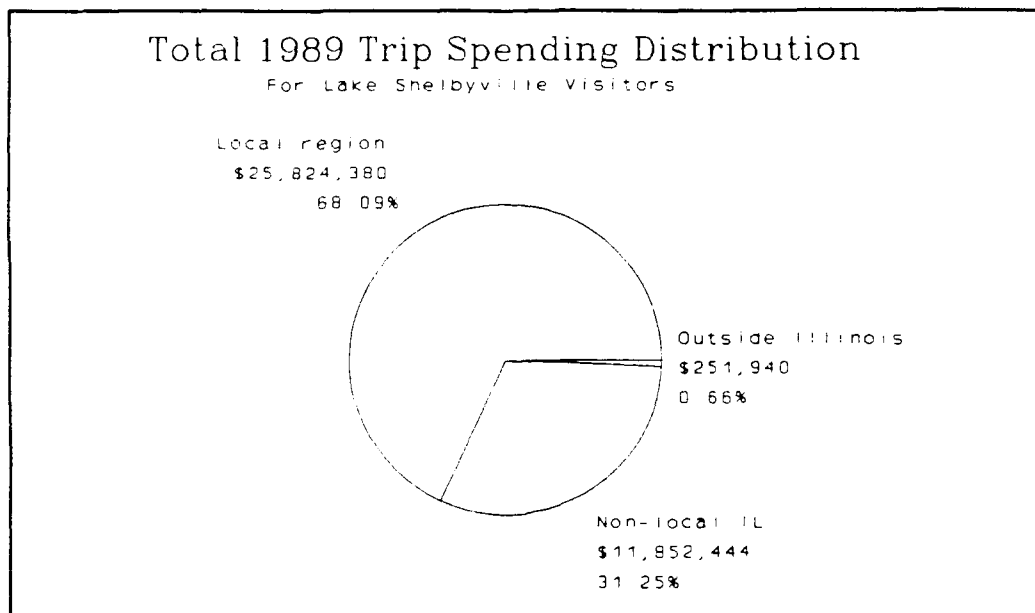


Figure 4. Distribution of Local Spending by Visitor Origin

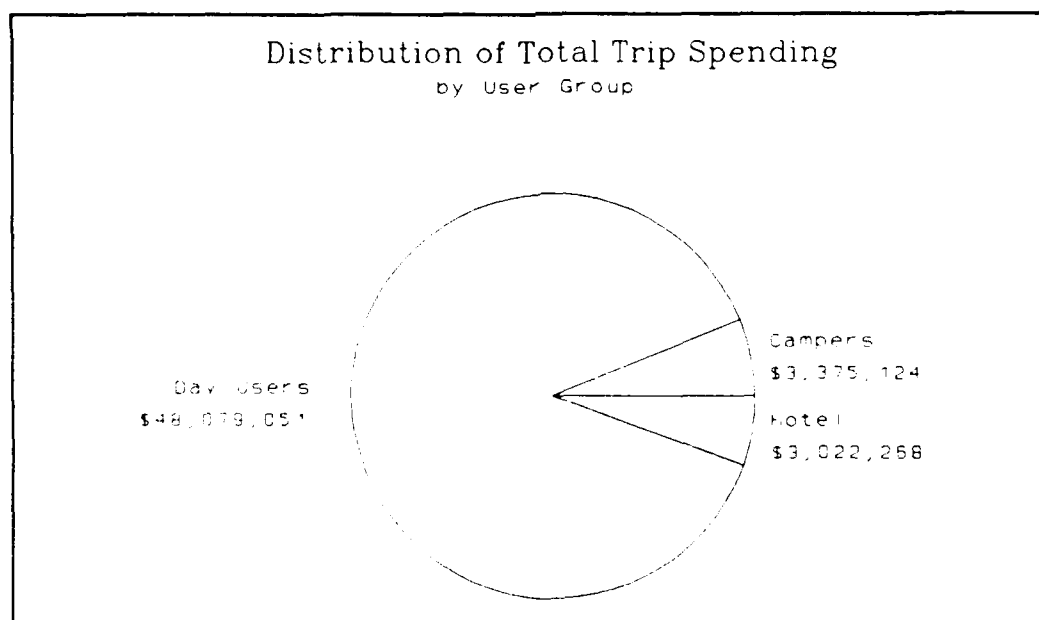


Figure 5. Total Trip Spending by User Group

Table 5. Spending on Durable Goods, Lake Shelbyville in 1989 dollars (n=267)

Durable item	Number reported	Pct of items	Avg cost all items	TOTAL SPENT	
				All items	Purchases last year
motor boat	25	3.7	12,092	302,292	71,500
non-motor boat	2	0.3	468	935	0
rubber boat	5	0.7	63	313	0
jet ski	1	0.1	3,700	3,700	0
outboard motors	11	1.6	2,155	23,705	950
trailer	10	1.5	688	6,875	0
water skis	34	5.1	365	12,421	170
boat accessories	41	6.1	1,010	41,415	2,650
combination boat/trail/motor	105	15.7	8,610	904,060	111,300
fishing rods	103	15.4	421	43,350	1,075
nets	2	0.3	30	60	0
depth finder	51	7.6	348	17,737	320
vests	68	10.2	173	11,792	190
waders	3	0.4	28	83	0
trolling motor	29	4.3	380	11,020	1,170
guns	1	0.1	200	200	0
tents, bags	27	4.0	507	13,695	0
motorhome	14	2.1	19,146	268,046	0
travel trailer	32	4.8	5,703	182,480	1,000
pickup camper	4	0.6	4,700	18,800	0
camping vehicle accessories	13	1.9	2,133	27,723	60
trail bikes	1	0.1	0	0	0
bikes	19	2.8	263	4,999	300
other rec. equipment	67	10.0	575	38,507	1,563
TOTAL	668	100.0			
			TOTAL	1,934,209	192,248
			AVE. SPENT	7,244	720
			PCT. OF TOTAL	100	9.9

While trip spending was reported by respondents on a per trip basis, durable good spending had to be adjusted to a per trip basis because durable goods are used on multiple trips. Durable good spending was reported by visitors responding to the on-site interview for items brought on that trip. Durable good spending was adjusted to a per trip basis for each respondent by dividing the total cost of durable goods purchased within the last year by the number of trips made within the previous year. Purchases made within the last year were only included to allow direct application of durable spending to annual estimates of use. Average durable good spending for all users was \$14.75 per trip in the local region and \$110.16 per trip outside the local region. The county in which the item was purchased was used to allocate durable goods spending to the appropriate regions, within Shelby/Moultrie counties (the local region), within the rest of Illinois, or outside Illinois.

Purchases of boating, camping, and other equipment for use at lakes like Lake Shelbyville are substantial. However there is no simple way of attributing these purchases to a single lake because these items may be used at many sites. One rationale for allocating durable good spending to Lake Shelbyville would be to determine the proportion of use that a given durable item receives at Lake Shelbyville versus other sites. This could be quite high for boating and fishing equipment bought by locals, but is probably lower for purchases made by nonlocals. In the absence of credible estimates of total annual use of durable good items purchased, it is necessary to select a percentage that would approximate the proportion of total durable good use that occurs at Lake Shelbyville versus other sites. We recommend attributing 25 percent of all durable good spending to Lake Shelbyville.

Using the 25 percent allocation resulted in average durable good spending for all users of \$3.68 per trip in the local region and \$27.54 per trip outside the local region. The application of these per trip durable good spending estimates to total 1989 use at Lake Shelbyville results in an estimate of 4.02 million dollars in durable good spending in the local region, 27 million dollars in Illinois, outside the local region and 3 million dollars outside Illinois.

Figure 6 displays the distribution of durable good and trip spending by where the spending occurred. Most trip spending occurred in the local region, while the majority of durable good spending occurred outside the local region.

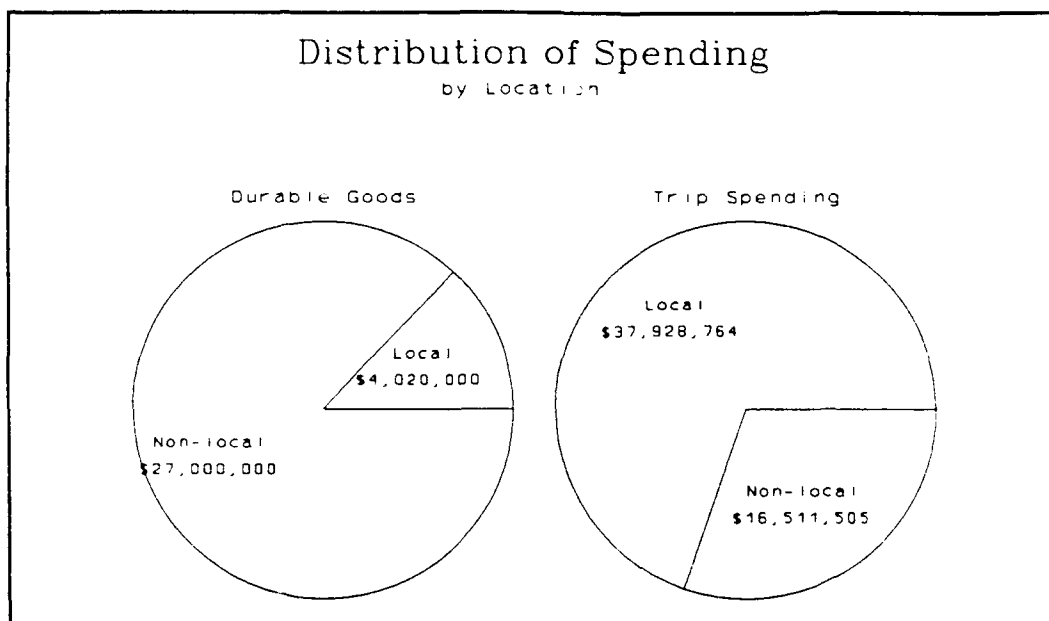


Figure 6. Distribution of Trip and Durable Good Spending by Location of Spending

ASSESSING ECONOMIC EFFECTS

The translation of visitor spending into economic effects in terms of income and employment was accomplished through the use of an Input-Output (I-O) model. The model is an accounting system showing economic transactions between local businesses, households, and governments, as well as transactions between public and private entities located elsewhere. Although an I-O model provides only a static view of economic conditions, it is an effective device for characterizing and analyzing complex local, regional, and national economies. I-O models are constructed for specific geographic regions in order to capture the specific economic sectors and linkages that exist in the region.

IMPLAN, an I-O model developed by the U.S.D.A. Forest Service, was selected for use in this application. IMPLAN was selected for two main reasons. First it provides more detailed information than most other I-O models for recreation-related economic sectors. An economic sector is a group of industries that produce similar goods and services (e.g. retail trade sector). Second, it is a national model that facilitates standardized application throughout the U.S. and allows both local and national effects to be measured.

Three distinct input-output models were developed using IMPLAN, each corresponding to a distinct region of interest. The *LOCAL* model consisted of Shelby and Moultrie counties. These two counties roughly coincide with a 30-mile circle

around Lake Shelbyville. This model includes 124 of the 528 sectors that exist in IMPLAN. The *STATE* model includes all of Illinois. The Illinois model includes 494 sectors. The *NATIONAL* model includes the entire continental United States and includes all 528 economic sectors.

Each model describes the structure of the relevant regional economy. Moving from the *LOCAL* to the *STATE* and then to the *NATIONAL* model, more industrial sectors are represented and there are fewer leakages of dollars outside of the region for imports.

A final demand vector, which consists of visitor purchases to the 528 IMPLAN sectors, is required as input into the model. In the case of recreation applications this vector is developed from estimates of the amount of spending by visitors to the specified area as described in the previously discussed visitor spending profiles. For trip spending, six profiles were used -- day users, campers, and hotel visitors living within the local region and living outside the local region. For durable good spending, two profiles were used, visitors living within the local region and visitors outside the local region. The final demand vectors also account for where the spending occurred, i.e. within or outside the local region.

Spending of visitors within 36 trip expense categories and 24 types of durable goods were allocated into the 528 IMPLAN sectors to produce sector-specific final demand vectors. As part of the allocation process, retail, wholesale, and transportation margins were estimated and allocated to the appropriate IMPLAN sector. A margin is the difference between the cost and selling price of a good or service.

For any final demand vector IMPLAN produces estimates of the effects on employment and income, along with other measures of economic activity. The estimates reported include direct, indirect, and induced effects. IMPLAN'S estimates of employment and income have specific interpretations that are important. Employment is reported in terms of numbers of jobs which include a mix of both permanent full time, part time, and temporary employees. Income estimates reported from the I-O model are referred to as factor income by place of production. Two distinctions are important here. First, factor income means payments to factors of production (i.e. labor and capital). The case of labor, wages paid in the production process represent a part of total personal income, the remainder coming from several sources including investment dividends and government transfer payments. Second, income is reported by place of production not by place of residence. This means that for areas where large numbers of employees live outside the study area and commute to work, the model will overstate the effects. IMPLAN uses 1982 economic data to estimate economic effects; therefore all income estimates are reported in 1982 dollars. The final demand vectors were converted to 1982 dollars to provide consistency with IMPLAN.

For the local and Illinois regional models, two distinct types of analyses were conducted. *IMPACT* analysis is the term used to evaluate the effects of "outside"

dollars being imported into the region from visitors who live outside the region. The term *SIGNIFICANCE* is used to indicate the effects of spending within the region from both resident and nonresident visitors.

IMPACT analysis is the most common use of input-output models. For the *LOCAL* model (Shelby and Moultrie Counties) the *IMPACTS* of Lake Shelbyville include only the spending within the two counties by visitors from outside the two counties. This spending represents the inflow of "new" dollars to this local economy. The rationale for this approach is that if Lake Shelbyville were not available for recreation, these dollars from nonresidents would not be flowing into the region; whereas, a high proportion of spending by local residents would be transferred to other sectors of the local economy.

The *SIGNIFICANCE* analysis for the *LOCAL* model includes all spending within the region associated with all visits to Lake Shelbyville. As a large percentage of the use of Lake Shelbyville is from nearby residents, much of this spending is not "new" dollars to the region. Local resident spending locally can be important to identify which local economic sectors benefit from visits to the lake. Also, to the extent that local residents would otherwise go outside the region for recreation if the lake were not available; local spending by locals represents a potential leakage of spending that the lake captures.

Combining the *IMPACT* and *SIGNIFICANCE* analyses with the three regions, five scenarios are generated as follows:

LOCAL IMPACT: The effects on Shelby and Moultrie counties of the spending of visitors from outside the region. In this analysis local visitors are not included, nor is any spending associated with the visit that occurs outside of the region.

LOCAL SIGNIFICANCE: The effects on Shelby and Moultrie counties of all spending within the region by Lake Shelbyville visitors. Both local and nonlocal visitors are included.

STATE IMPACT: The effects on Illinois of the spending of out-of-state visitors to Lake Shelbyville. This analysis only includes visitors from outside Illinois and includes only their spending within the state.

STATE SIGNIFICANCE: The effects of any spending within the state of Illinois by all 1989 visitors to Lake Shelbyville.

NATIONAL SIGNIFICANCE: The effects on the United States economy of all spending associated with trips to Lake Shelbyville in 1989.

These scenarios produce differing results due to both differences in final demand (total visitor spending) and in the economic structures at local, state, and national levels.

The results of the five scenarios are summarized in Table 6. This table provides the total economic effects, for all use of Lake Shelbyville in 1989, under each of the five scenarios. The effects on employment and income are reported for the three user groups and for all users combined. The effects of trip spending are reported separately from that for durable goods.

When examining employment effects associated with trip spending under the *SIGNIFICANCE* scenarios, notice that the effects get larger as the size of the region increases. This is because more visitor spending is being included in the final demand vector, and less spending leaks out of the region in successive rounds of spending (indirect and induced effects). Spending on trips to Lake Shelbyville in 1989 generated 860 jobs within the two-county area, 1199 within Illinois and 1956 jobs nationally.

The employment effects of "new" dollars into the region (*IMPACT* scenarios) resulted in 427 jobs in the local region from trips by visitors originating from outside the region and 8 jobs in the state of Illinois result from trips by visitors from outside the state. This finding illustrates that the lake primarily serves a state market with the primary regional effect being a flow of dollars (and jobs) to the Shelby/Moultrie counties from the rest of Illinois.

Similar results were obtained for the effects on income. Focusing on the local region, outside visitors to Lake Shelbyville generated 5.5 million dollars in income locally. Figure 7 shows the proportion of total income and employment in the local region attributable to trip spending by Lake Shelbyville visitors. Lake Shelbyville trip spending accounted for 9.5 percent of total local employment and 5.2 percent of total local income. Imported spending into the local region by Lake Shelbyville visitors living outside the region was an important component of total spending, accounting for 4.7 percent of local employment and 2.2 percent of local income.

Table 6 shows the impacts of durable goods purchases, bought within the last year and used at Lake Shelbyville under the previously described 25 percent durable good spending allocation. The employment effects of durable goods purchases under the *SIGNIFICANCE* scenario resulted in 38 jobs in the local region, 477 in Illinois and 824 nationally. Most major durable items like boats and recreational vehicles are manufactured outside the local region and in many cases outside Illinois. Consequently there is a significant increase in employment effects in the Illinois and National regions. Under the *IMPACT* scenario, 9 jobs are produced in the Shelby-Moultrie Counties and only 6 jobs in Illinois resulting from durable goods purchased in Illinois by out-of-state visitors to Shelbyville.

Table 6. Shelbyville Impact Analysis -- TOTAL IMPACTS OF PRESENT USE --
Trip Spending and Durable Goods Purchases

	Local Significance	Local Impact	Illinois Significance	Illinois Impact	National Significance
TRIP SPENDING					
Employment (Number of Jobs)					
Campers	65	62	77	4	124
Day users	714	286	1037	0	1673
Hotel use	81	78	84	4	160
All	860	427	1199	8	1956
Total Income (Millions of 1982 Dollars)					
Campers	0.96	0.90	1.76	0.09	3.77
Day users	10.81	3.64	23.61	0.00	50.92
Hotel use	1.07	0.99	1.76	0.09	4.47
All	12.85	5.53	27.12	0.18	59.16
DURABLE GOODS PURCHASES					
Employment* (Number of Jobs)					
Campers	1	0	77	4	164
Day users	34	6	365	0	588
Hotel use	3	3	35	2	72
All	38	9	477	6	824
Total Income* (Millions of 1982 Dollars)					
Campers	0.01	0.01	1.63	0.08	5.03
Day users	0.56	0.10	8.55	0.00	18.66
Hotel use	0.04	0.04	0.81	0.05	2.26
All	0.61	0.15	10.99	0.13	25.95
NUMBER OF TRIPS (000's)					
Campers	19.14	18.20	19.14	0.98	19.14
Day users	1058.58	188.43	1058.58	0.00	1058.58
Hotel use	12.37	11.76	12.37	0.63	12.37
All	1090.08	218.39	1090.08	1.61	1090.08

* This is a 25 percent allocation of the total effects of durable good spending based on the assumption that 25 percent of the use of durable goods purchased occurred at Lake Shelbyville.

EVALUATION OF A MANAGEMENT ALTERNATIVE

The preceding discussion presented the economic effects of recreation use under existing conditions in 1989. However, input-output analysis is an effective tool to evaluate the economic implications of management and policy decisions that affect recreation behavior. To illustrate this type of application we will assume that a 200-unit campground is being considered for construction to meet a demonstrated demand for camping facilities. Assuming such an expansion would generate occupancy rates like those at present campgrounds, it is estimated that the proposed facility would generate an additional 3,334 trips by camping groups to Lake Shelbyville. If it is further assumed that these trips would be distributed from different origins like present campgrounds and these campers would spend at rates similar to the two camping groups surveyed (local and non-local campers), a new final demand vector can be created to estimate the economic effects of the five scenarios.

For instance from Table 1 we see that about 95 percent of all campers at Lake Shelbyville came from outside the local region (17,222 non-local Illinois plus 976 outside Illinois campers divided by 19,136 total campers). When the 95 percent is applied to the estimated 3,334 camping trips in the new campground this results in about 3170 camping trips. From Table 3 we find that nonlocal campers spent \$136.10 per trip in the local region. When the \$136.10 per trip spending rate is applied to the 3170 trips this results in approximately 430,000 dollars in trip spending under the local *IMPACT* scenario in Table 7. The economic effects of the 200-unit campground are shown in Table 7.

Under the *SIGNIFICANCE* scenario, 11 new local jobs are created, 13 in Illinois, and 22 nationally from trip spending. Because campers come from outside the local region, the local *IMPACT* is also 11 jobs. Less than one job is created as a result of out-of-state camper spending.

Applying the 25% share of durable good spending, the new campground would have only a small local employment effect, but about 13 jobs would be created in Illinois and 28 nationally under the *SIGNIFICANCE* scenario.

This application demonstrates that it is possible to link economic effects to a specific management action (i.e. development of a 200-unit campground). This capability will allow managers to work with non-federal interests to identify partnership opportunities based on the economic effects to the local area through increased business activity. Nonlocal interests will be able to make investments in public recreation in a more business like way by being able to compute the potential economic return on specific investment alternatives.

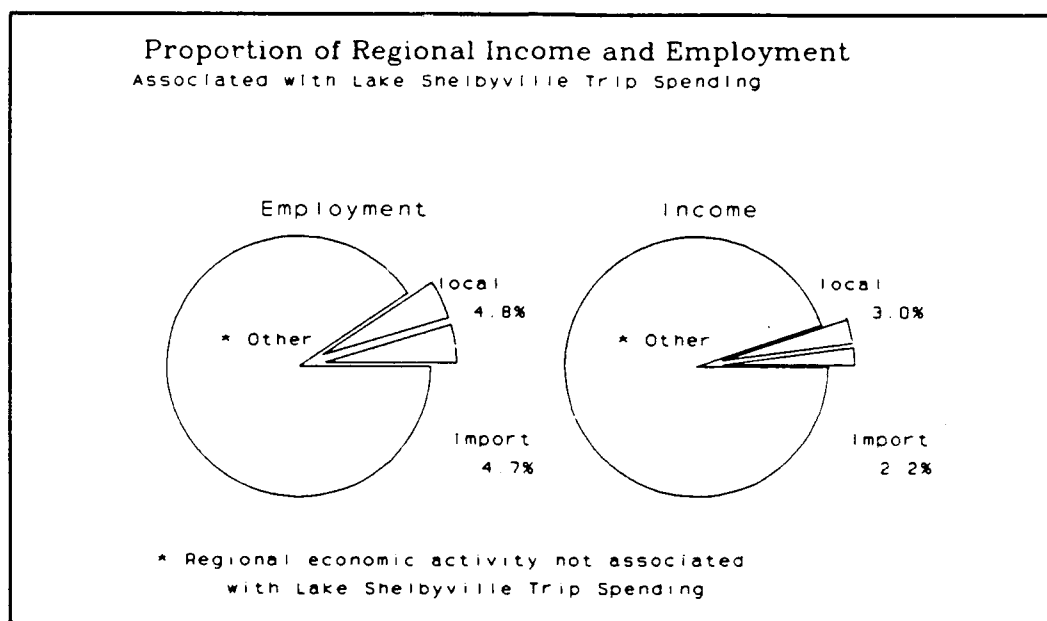


Figure 7. Proportion of Regional Income and Employment from Trip Spending.

Table 7. Economic Effects of a 200-Unit Campground

	Local Significance	Local Impact	Illinois Significance	Illinois Impact	National Significance
Trip Spending (\$MM, 1982)	0.46	0.43	0.56	0.03	0.56
Income (\$MM, 1982)	0.17	0.16	0.31	0.02	0.66
Employment (Jobs)	11.37	10.87	13.40	0.68	21.57
Durable Goods Spending	0.02	0.01	2.56	0.13	2.56
Income (\$MM, 1982)	0.00	0.00	1.14	0.06	3.50
Employment (Jobs)	0.30	0.19	53.68	2.69	114.46
NUMBER OF TRIPS (000's)					
Campers	3.33	3.17	3.33	0.17	3.33

NATIONAL ECONOMIC EFFECTS OF THE CORPS' RECREATION PROGRAM

The economic effects of the national Corps recreation program can be inferred by applying spending patterns for Lake Shelbyville campers and day users to nationwide estimates of the number of campers and day users that use Corps projects. In 1988 over 2 billion visitor hours of recreation use was reported at over 470 Corps projects. This translates into over 95 million user groups using Corps projects for recreation. Table 8 presents the national effects of 1988 recreation use at Corps projects. Assuming all Corps campers and day users have the same spending patterns as Lake Shelbyville visitors, over 11 billion dollars was spent on nondurable goods and services associated with recreation at Corps projects. Trip spending generated over 8.1 billion dollars of income and over 265,000 jobs.

Table 8. National Effects of Corps Recreation Trip Spending

User Group	Trips (000) (1988 NRMS)*	Trip Spending (\$MM 1982)	Income (\$MM 1982)	Employment (Jobs)
Day Users	71,444	4,128	3,436	112,881
Campers	23,558	7,392	4,678	152,400
Total	95,002	11,520	8,114	265,281

* Natural Resource Management System

Travel and tourism industries are a major economic force in the United States touching many sectors of the economy. In 1988, travel and tourism related industries accounted for 302 billion dollars in receipts resulting in 5.42 million jobs (1989 U.S. Travel Data Center). The Corps recreation program accounts for a significant portion of the economic activity associated with travel and tourism in the United States. Trip spending by visitors to Corps projects accounted for approximately 3.6 percent of all tourism spending and resulted in about 4.8 percent of all tourism employment.

These results do not mean that if recreation use were to no longer exist at Corps projects the associated jobs and income would be lost. A very small portion of trip spending is "new" money to the United States (only spending from foreign visitors). Most is money that would be spent in the United States regardless of whether recreation opportunities existed at Corps projects. Therefore, changes in economic conditions would be in the form of shifts in jobs and income between economic sectors

or geographic locations as a direct result of shifts in recreation use patterns which stem from the change in the supply of recreation resources.

CONCLUSIONS

I-O analysis is an important tool to evaluate the economic implications of management and policy decisions. As non-federal groups become more actively involved in the Corps recreation program, the Corps needs to place greater importance on and improve the capability to identify and evaluate the regional effects of policy decisions and resource allocations. The Lake Shelbyville application demonstrates a credible approach for measuring the economic effects of the current recreation program and predicting the potential effects of a hypothetical recreation development.

The precise application of I-O analysis to recreation management issues at Corps projects requires that recreation use be continuously and accurately monitored at all Corps projects. In addition, nationally representative visitor spending profiles are required for all major Corps project user groups. These profiles will reduce the need to perform visitor spending surveys for each future I-O application thus improving the efficiency and reducing the cost of applying the I-O process.

The analysis demonstrated that visitor spending associated with recreation at Lake Shelbyville, was an important component in the total local economy. Visitor spending accounted for over nine percent of local employment and over five percent of local income. The ability to measure the economic effects of recreation use at Corps projects is an important tool in increasing non-federal investment in the Corps recreation program. Regional economic development, however, should be viewed as a positive byproduct of Corps project constructed and managed to support national economic development through the provision of public benefits.

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